DOCUMENT RESUME

ED 177 835 EC 121 664

TITLE	Assessment of Educational Programs in State-Supported and State-Operated Schools. Final Report.
INSTITUTION	Rehab Group, Inc., Arlington, Va.
SPONS AGENCY	Bureau of Education for the Handicapped (DHEW/OE), Washington, D.C.
PUB DATE	20 Sep 79
CONTRACT	300-77-0473
NOTE	163p.
EDRS PRICE	MF01/PC07 Plus Postage.
DESCRIPTORS	*Compliance (Legal); Delivery Systems; Elementary Secondary Education; Exceptional Child Research; *Federal Aid; *Federal Legislation; Financial Support; *Handicapped Children; Program Administration; *State Programs; State Standards
IDENTIFIERS	*Public Law 89 313

ABSTRACT

The document provides results of a study investigating implementation in 15 states of P.L. 89-313, an amendment to the Elementary and Secondary Education Act of 1965 which extends entitlement for Title I grant support to state agencies that operate or support schools serving handicapped children. Major areas of inquiry include a review of administration procedures, program standards, program financing, and education and related services for institutionalized and noninstitutionalized handicapped children. Part I provides background information with chapters covering legislation and administration of P.L. 89-313, previous evaluation efforts, and study purpose and methodology. Part II focuses on results of state agency assessment, while Part III presents results of a survey of state operated and state supported schools. Listed among major findings are that the administrtive structure in the State Education Agencies has changed so as to place more importance on the total special education program; that the states have standards of quality which meet or surpass federal requirements; that due to deinstitutionalization, the less severely handicapped are being served in local education agencies; and that the majority of states report an increase in state funding allocations for special education occurring during the past 5 years. Recommendations include that federal funding to meet the special education needs of children and youth in state operated and state supported schools be continued. (SBH)

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ED177835

UNDER CONTRACT NO. 300-77-0473

ASSESSMENT OF EDUCATIONAL PROGRAMS IN STATE-SUPPORTED AND STATE-OPERATED SCHOOLS FINAL REPORT

PREPARED FOR:
DEPARTMENT OF HEALTH, EDUCATION AND WELFARE
OFFICE OF EDUCATION
BUREAU OF EDUCATION FOR THE HANDICAPPED
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SEPTEMBER 20, 1979

EC121664

EXECUTIVE SUMMARY

The United States Congress enacted Public Law 89-313 in November 1965 in order to expand and improve education services to handicapped children and youth in state-operated and state-supported schools. Under this program, grants are made to State Agencies based on average daily attendance in State Education Agency approved education programs.

The purpose of this study is to provide information concerning operation of the P.L. 89-313 program in order to respond more adequately to Congressional inquiry. The major areas of inquiry include a review of administrative procedures; program standards; program financing; and education and related services being provided to institutionalized and non-institutionalized handicapped children.

The primary criterion for selecting states, to be included in the study, was coverage of P.L. 89-313 funding. This included twelve states which had received 65 percent of the P.L. 89-313 funds during fiscal year 1978 and one state each from the Southeast, Southwest, and Northwest sections of the country which served as case study states. Within the 15 states, thirty-five State Agencies were selected for inclusion in the study. Of these, fifteen were State Education Agencies (one from each state) and twenty other agencies that had some administrative or program responsibility for the P.L. 89-313 program in the states selected. In addition, 72 providers of service which included both institutional and non-institutional settings were selected.

The data collection approach for the study involved using verification questions on two or more data collection guides that were keyed to a particular area of inquiry. This included asking the same question of both State Agency and provider respondents. This approach enabled a check on the validity of the data provided by respondents at both levels and also enabled interviewers to ascertain whether respondents had similar perceptions about education programs, P.L. 89-313 project administration, program standards and program financing. The Data Collection Guides were administered on site by Rehab staff and consultants. Interviews were conducted with cognizant staff at the State Education Agencies, State Agencies, and providers of service.

The major findings according to the four areas of inquiry were as follows:

PROGRAM ADMINISTRATION

The administrative structure in the State Education Agencies has changed so as to place more importance on the total special education program. The states have implemented administrative procedures which allow systematic monitoring of the providers for compliance with state and Federal requirements. This includes procedures for ensuring fulfillment of the P.L. 93-380 Local Education Agency transfer provisions. Fiscal accountability is maintained in the majority of study states by both State Education Agencies and State Agencies.

Some of the administrative questions related to the provision of services. For example, the majority of states have established guidelines for defining basic vs. supplemental services. Even so, a problem still exists in determining whether services are basic or supplemental. Another inquiry related to the question of targeting of funds. In general the respondents at the state level did not favor targeting as a means of improving their education programs.

PROGRAM STANDARDS

The states have standards of quality which meet or even surpass federal requirements. There have been some changes in recent years which have impacted the program administration, availability of funds, and staff responsibilities. These changes have included the increase in state staff responsibilities and the availability of fewer funds per child because of increased services being mandated by state standards.

SERVICE DELIVERY

Due to deinstitutionalization, the less severely handicapped are being served in Local Education Agency settings. The majority of clients, therefore, being served in state-operated and state-supported schools are severely and multi-handicapped. Despite this fact, the state-operated and state-supported schools in the sample are emphasizing the educational and related service needs of

clients being served. This includes the development of individualized education programs (IEPs) for each child or youth in their program.

PROGRAM FINANCING

The majority of study states reported an increase in state funding allocations for special education occurring during the past five years. The states also reported that federal aid accounted for a small portion of total revenues.

Several major recommendations have been presented in the body of the report. The results of the study strongly suggest that the funds expended have been successful in upgrading the quality of education programs at state-operated and state-supported schools. It is recommended that Federal funding to meet the needs of handicapped children and youth in these schools be continued.

It is recommended that current Local Education Agency transfer provisions be eliminated. This requirement has proven to be extremely difficult to implement. In most states visited the State Agency respondents indicated that the local school districts did not wish to avail themselves of these funds because of the extensive paperwork involved.

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PART I

STUDY BACKGROUND

CHAPTER I

BACKGROUND

PUBLIC LAW 89-313 - LEGISLATION AND ADMINISTRATION

Public Law 89-313, enacted November 1, 1965, amended the Elementary and Secondary Education Act of 1965. Title I of the Elementary and Secondary Education Act (ESEA) provides financial assistance to local school districts to meet special educational needs of educationally deprived children residing in low income areas. The P.L. 89-313 amendment to Title I of the ESEA extended entitlement for Title I grant support to state agencies that operate or support schools serving handicapped children.

The purpose of the grant program was to expand and improve education and training services to handicapped children and youth in residential facilities, such as state schools for the blind, deaf, or retarded; in state-supported facilities such as community-based day care centers; and in local programs served predominantly by itinerant teachers paid by the state. Subsequently, P.L. 89-313 was amended by Public Law 93-380, the Education Amendments of 1974, to also provide grants for special education programs for handicapped children and youth formerly in state-operated or state-supported schools who have transferred to local public schools.

Since 1966, the P.L. 89-313 program has provided over $937 million in grants to State Agencies. In fiscal year 1979, the P.L. 89-313 program provided over $132 million in grants to agencies in all 50 states, Puerto Rico, Guam, and the District of Columbia. As shown in Table 1-1, appropriations have expanded nearly tenfold since the program began in fiscal year 1966. The number of children served has increased from slightly over 65,000 in 1966 to approximately 223,000 in 1978. Per pupil Average Daily Attendance (ADA) allocations have increased from a base of $242 in 1966 to $595 in 1979.

TABLE 1-1.

Public Law 89-313 Appropriations and Average Daily Attendance: 1966-1979

Fiscal Year	Appropriations (millions)	Average Daily Attendance	Average Allocation Per ADA
1966	$15.9	65,400	$242
1968	24.8	87,400	283
1970	37.5	110,500	339
1972	56.4	131,800	428
1974	85.8	166,400	515
1976	95.9	188,100	510
1977	111.4	201,400	552
1978	121.6	223,832	546
1979	132.5	222,732	595

Administration of the P.L. 89-313 program was, until recently, the joint responsibility of the Bureau of Education for the Handicapped (BEH) and the Bureau of Elementary and Secondary Education (BESE). In 1968, BESE delegated program administration authority to BEH but retained all fiscal functions. Fiscal authority was finally delegated to BEH based on a memorandum of agreement signed in June 1977.

Grants are made under the provisions of P.L. 89-313 to State Agencies based on average daily attendance in State Education Agency approved education programs in state-operated and state-supported schools. Average daily attendance is currently based on prior year (October 1) attendance at these approved programs. Since 1976, average daily attendance can also include all children previously in state-operated and state-supported schools who are now receiving special education in a local school district.

Under the provisions of P.L. 89-313, each State Agency receives 40 percent of the state's average-per-pupil expenditure each fiscal year, for every child counted in average daily attendance on the previous October 1. Average-per-pupil expenditures, however, must be not less than 80 percent nor more than 120 percent of the national average-per-pupil education expenditure. A hold-harmless provision, amended by P.L. 95-561, mandates that a state will receive no less than 85 percent of the allocation it received the previous year.

The P.L. 89-313 program has been fully funded since its inception. Thus, the funds allocated to a State Agency for a fiscal year cannot be less than the maximum grant that the State Agency is eligible to receive under the grant formula. However, the State Education Agencies in several states have exercised considerable flexibility in defining those State Agencies and state-operated and state-supported programs that are eligible to be included in the P.L. 89-313 program. This has resulted in significant state-to-state variation in the relative number counted as ADA and in the quantitative relationships among children receiving P.L. 89-313 funding by handicapped condition. Despite the large increase in number served by the P.L. 89-313 program, the spread among the states in enrollment (ADA) per 100,000 was just as large in 1978 as it was in 1973 or 1966.

Each State Agency can allocate the funds to the providers under its control. The methods used to allocate funds among providers vary widely among states and State Agencies. However, under the provision of Public Law 93-380, as interpreted by BEH, each child counted in average daily attendance must receive some benefit from P.L. 89-313 funds, but not necessarily the full state per pupil rate for the fiscal year. Congress has not stated what degree of deviation from proportional allocation is acceptable.

Each provider eligible to receive P.L. 89-313 funds is required to submit a project application, through its State Agency, to the State Education Agency. The SEA is responsible for reviewing and approving each project application before the project is funded. The State Education Agency is also responsible for monitoring the progress of projects during the project year. In addition, annual evaluation reports must be submitted to the SEA for review.

PREVIOUS EVALUATION EFFORTS

During the more than twleve years of the program, little has been done to systematically review the program or to evaluate its effectiveness. As a result, very little information exists that described the program's history, the way it functions, or its present status. In 1972, the Office of Education was unsuccessful in its attempt to evaluate the program due to unforeseen difficulties encountered by the firm contracted to do the study. However, this study did provide a fairly detailed compilation and assessment of data about the population of handicapped children in the United States and Public Law 89-313 grant program data, such as enrollment and expenditures for the period 1966 through 1972.[1]

This study called attention to the variability among states in the services provided to children with handicapping conditions, as measured by dollars spent per child. The study also concluded that the P.L. 89-313 grant formula perpetuated interstate differences in education programs provided. It concluded that "a child with a particular disability may be eligible in one state but not in another."

Attempts have been made in recent years to learn more about the program. In 1977, the General Accounting Office conducted a review and evaluation of the program in several states.[2] The findings of the review were based on discussions with personnel at the Office of Education, State Education Agencies, and at 52 state-operated or state-supported schools. Site visits to State Agencies and schools were undertaken in ten states: Arizona, Colorado, Georgia, Illinois, Massachusetts, Michigan, Oregon, Pennsylvania, Texas, and Washington.

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[1] Evaluation of Education Programs in State-Operated and State-Supported Schhols for Handicapped Children (P.L. 89-313 ESEA Title I), Phase I Report. P.L. 89-313 Program Data and Analysis, Exotech Systems, Inc., May 3, 1973.

[2] Federal Direction Needed for Educating Handicapped Children in State Schools, Report to the Congress of the United States, U. S. General Accounting Office, HRD 78-6, March 16, 1978.

Three basic issues were addressed in the report. They were:

- using Public Law 89-313 funds to support basic education programs rather than limiting their use to supplementing states' basic education programs;
- targeting Public Law 89-313 funds to providers within the states and to specific individuals or groups of children within the state-operated and state-supported schools; and
- administering the Public Law 89-313 program at the Federal and state levels -- including the possible consolidation of the program with the Education of the Handicapped Act.

The survey of 52 sites led GAO to a finding that "Federal funds are still being used to pay for basic education programs and for activities which states are now recognizing to be their responsibilities." GAO also reported that the P.L. 89-313 program "acts as a disincentive to meet their new mandates and expand the state-of-the-art." The report, however, recognized that there were considerable definitional problems in determining what constitutes basic as opposed to supplemental programs, as well as uncertainty concerning the intent of Congress vis-a-vis this issue with respect to the use of P.L. 89-313 funds.

The GAO also found that targeting of funds was a widespread practice at two levels of the allocation process: (1) when the State Agencies make their allocation to the state-operated or state-supported schools, and (2) in the allocation of the funds within the state-operated and state-supported schools to specific individuals or groups of children and youth. The report recognized that "confusion exists" over how much funding is required to meet the Public Law 93-380 mandate that all children counted for P.L. 89-313 funding receive some benefit from that funding.

The report also concluded that "there is sufficient justification for the Congress to legislatively transfer the 89-313 program from Title I of the Elementary and Secondary Education Act of 1965 to the Education of the Handicapped Act." This conclusion was based primarily on a finding that management of the program has been fragmented at the Federal and state levels in the past. It was also reported that the program has evidenced a lack of Congressional scrutiny particularly for budget justification purposes since it is a relatively small component of the overall ESEA Title I program.

The report also recommended that the Bureau of Education for the Handicapped "increase the amount of guidance, monitoring, and technical assistance it provides to the states, and should also actively encourage and assist states to disseminate and share project results."

Further Congressional interest led the Elementary, Secondary, and Vocational Education Subcommittee of the House Education and Labor Committee to gather further information from responsible and interested individuals, agencies, and organizations by sending letters that asked several pertinent questions with regard to the P.L.89-313 program.[3] These questions dealt primarily with the issue of consolidating the P.L. 89-313 program, the use of P.L. 89-313 funds by State Agencies, and targeting such funds. Over 350 responses were received. A major finding was that the "wide variation in responses tends to complicate the issue of 89-313." That survey concludes that the major questions for the Congress "given the fact that children are in institutions and day programs outside the regular educational system, are how we can best provide education for those children, and what is the most appropriate way to use Federal dollars in helping achieve the goal of full education opportunity."

In addition to the present Congressional interest in the program, the Bureau of Education for the Handicapped, as part of its mandated responsibility, has conducted administrative reviews of most of the State Agency P.L. 89-313 programs in order to assess state compliance with the legislation and BEH regulations. These reviews, however, were not intended to supply the programmatic data needed to provide an understanding of the overall program. Due to the limitations in information concerning the P.L. 89-313 program, BEH contracted with Rehab Group, Inc. to conduct a study to provide up-to-date descriptive information about the P.L. 89-313 program in several states.

PURPOSE OF THE STUDY

The primary purpose of this study is to provide information concerning operation of the P.L. 89-313 program in order to respond more adequately to Congressional inquiry. The data collection effort had a number of objectives:

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[3] Public Law 89-313 -- Past, Present, and Future. A Review of the Law and the Program, Dr. Martin L. Lavor. Education and Labor Committee, U. S. House of Representatives, Draft, August 1977.

- to examine procedures used by the states to administer P.L. 89-313 and document the methods by which functions such as monitoring, auditing, project evaluation, and personnel assignments are handled at the State Education Agency or State Agency level;

- to review program standards for admission, child assessment, program evaluation, personnel certification, and pupil-staff ratios at state-operated and state-supported schools;

- to examine and document patterns of expenditures for education and related services provided to eligible children in state-operated and state-supported schools; and

- to examine the nature of education programs and related services provided to institutionalized and non-institutionalized handicapped children in state-operated and state-supported schools.

The information developed by this study is intended to provide a more adequate basis for responding to Congressional inquiry concerning the operation of the P.L. 89-313 program. The descriptive information and data produced should also be useful to the Bureau of Education for the Handicapped for program planning and administration because the study also examined administrative and programmatic processes used by the states.

In order to meet the objectives of the evaluation, the study focused on the key organizations involved in the planning, coordination, and service delivery aspects of education programs in state-operated and state-supported schools. Information was secured at both the State Agency and local provider levels.

Data sought from the State Agencies included information relative to:

- administering the program -- examining the administrative processes and the manner in which functions such as monitoring, auditing, project evaluation, project approval, and personnel assignments are implemented;

- program standards -- examining the standards for program operation as required by the state; and

- funding allocation analysis -- reviewing the allocation and distribution of P.L. 89-313 funds from the state level to the provider level.

Data sought from the providers included information on:

- program standards -- reviewing the standards for admission, child assessment, program evaluation, personnel certification requirements, and pupil/teacher ratios; and

- program characteristics -- a description of the type of service delivery settings as well as the direct and supportive services being offered by different providers. This analysis included data items relative to the source of funds being used to support diverse program components; the allocation of staff time to each program component, as well as project specific information relating to history, objectives, and organization of the individual providers.

CHAPTER 2

METHODOLOGY

This chapter discusses the study methodology, including sampling design, data collection, and data analysis. It also discusses alternative ways of conducting the study and the rationale for selecting the approaches used.

SAMPLING DESIGN

The population sampled for the study included: (1) the State Education Agencies and State Agencies administering P.L. 89-313 programs in the 50 states and the District of Columbia, and (2) the 3,754 providers of services to handicapped children in state-operated and state-supported schools who received P.L. 89-313 funds during fiscal year 1978.

A two-stage sample design was selected to meet several criteria. These criteria included coverage of P.L. 89-313 funds, geographic distribution, multi-agency involvement, a range of program sizes, and coverage of programs for the various handicapping conditions in both residential and non-residential settings.

STATE SELECTION

The primary criterion for selecting states was coverage of P.L. 89-313 funding. A review of the funding allocation for the 50 states and the District of Columbia for fiscal year 1978 indicated that the twelve largest states in terms of receipt of funding accounted for approximately 65 percent of P.L. 89-313 funding. Each of these states, therefore, were included in the sample selected for site visits. By order of total funding for fiscal year 1978, these states were: Illinois, New York, Massachusetts, Pennsylvania, Michigan, Texas, Ohio, New Jersey, North Carolina, California, Wisconsin, and Florida.

Many of these twelve states are located in the North central and Northeastern regions of the country. If the side visits had been limited to these twelve

states, there would have been no opportunity to secure data on administrative and service delivery processes and problems common to smaller states in other geographic regions. It was decided, therefore, to include one state each from the Southeast, Southwest, and Northwest sections of the country as case study states. Georgia, Arizona, and Wyoming were selected as case study states on the basis of location within the three regions and because these states had a small number of providers.

The final selection allowed for a coverage of over two-thirds of P.L. 89-313 funding while providing for the assessment and descriptive documentation of administrative and service delivery processes in use by smaller states in diverse parts of the country. Table 2-1 presents information on the number of State Agencies administering P.L. 89-313 programs in the fifteen states selected for site visits. Information was collected from each of these agencies for the evaluation. Thirty-five agencies were included in the sample; fifteen State Education Agencies (one from each state) and twenty other agencies that had some administrative or program responsibility for the P.L. 89-313 program in the states selected. Table 2-1 also presents data on the number of providers and the P.L. 89-313 funding level for fiscal year 1978.

Provider Selection

The sampling plan called for selecting up to 78 providers who received P.L. 89-313 funding during fiscal year 1978. For each of the twelve states with highest levels of fiscal year 1978 funding, two providers were chosen from each of three strata: those providing services primarily to the mentally retarded, those providing services primarily to the emotionally disturbed, and those providing services primarily to those with other handicapping conditions (i.e., the deaf and hard of hearing, the visually impaired, orthopedically impaired, and those with other health impairments). Of the two providers to be chosen from each group of handicapping conditions, one was chosen randomly from non-residential programs. Non-residential programs included short-term diagnostic programs and some day center programs that supported small residential components.

TABLE 2-1.

Distribution of State Agencies and Providers

State	Number of State Agencies*	Number of Providers**	FY 78 P.L. 89-313 Funding ($000's)
Illinois	3	109	12,628
New York	2	242	12,227
Massachusetts	4	366	8,707
Pennsylvania	2	184	7,991
Michigan	2	109	7,355
Texas	2	121	6,878
Ohio	2	103	6,176
New Jersey	2	711	4,708
North Carolina	8 (4)	83	3,296
California	3 (2)	48	3,263
Wisconsin	2	132	2,905
Florida	4 (3)	72	2,827
Wyoming	1	18	276
Georgia	2	10	977
Arizona	2	8	592
		Total	80,806
		GRAND TOTAL FOR ALL P.L. 89-313 FUNDS FOR FY 78	120,526***

* The number of agencies is given as administratively defined by USOE/BEH. In some instances, agencies are single providers. The number of agencies in parentheses excludes such provider agencies.

** Excludes out-of-state programs and LEA programs as directed by USOE/BEH.

*** Excludes Guam, Puerto Rico, and the Virgin Islands.

Of the possible 72 residential status/handicapping condition categories, 67 had at least one provider receiving P.L. 89-313 funding in fiscal year 1978. One provider was selected randomly from each of these 67 categories. In each of the three smaller states, two providers also were selected (one residential and one non-residential) without regard for the handicapping conditions of those served.

The distribution of the selected providers by handicapping condition group and residential status is presented in Table 2-2. Forty-one of the selected sites were residential programs and 32 were non-residential programs. Twenty-seven programs provided services primarily to the mentally retarded, and 23 provided services both to the emotionally disturbed and to those with other handicapping conditions.[1]

TABLE 2-2.

Distribution of Providers by Handicapping Condition and Residential Status

CONDITION / STATUS	Mentally Retarded	Emotionally Disturbed	Other	Total
Residential	15	12	14	41
Non-Residential	12	11	9	32
Total	27	23	23	73

It must be pointed out that the sample of providers was not designed to meet criteria for making statistical projections for national estimates or for programs within the 15 states surveyed. It was designed to cover enough programs to serve as a basis for obtaining descriptive information concerning program operation.

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[1] A response from one non-residential program for the mentally retarded could not be completed during the field visit due to weather conditions.

DATA COLLECTION METHODOLOGY

Six instruments were used to collect the necessary data. They included:

- State Education Agency (SEA) Data Collection Guide
- State Education Agency Data Collection Form
- Non-Education State Agency (SA) Data Collection Guide
- State Agency Data Collection Form
- Provider Interview Guide
- Provider Data Package

All instruments appear in Appendix A and each is briefly described below.

- SEA Data Collection Guide: This guide addressed the planning, coordination, and oversight functions carried out by the State Education Agencies. The questionnaire focused on the administrative processes used and the manner in which functions such as monitoring, auditing, project evaluation, and project approval are implemented. Detailed information was requested on the organizational and historical context of the SEA special education program, state standards for the education of handicapped children, allocation of resources, the history of the P.L. 89-313 program, and implementation of transfer provisions of P.L. 89-313.

- SEA Data Collection Form: This form was used to record information regarding the agencies' client population characteristics, allocation of funds by source, ages served, and service delivery settings.

- State Agency Data Collection Guide: This addressed the planning, coordination, and oversight function of State Agencies receiving P.L. 89-313 grants with respect to administration of education programs for children in state-operated and state-supported schools. Areas of inquiry were similar to those in the SEA Data Collection Guide.

- State Agency Data Collection Form: This form was used to record quantitative data on the number of providers receiving P.L. 89-313 grants, the allocation of resources to providers, population characteristics, and service characteristics of programs administered by the State Agency

- Provider Interview Guide: This addressed all aspects of the education program in general, and the P.L. 89-313 component in particular. This instrument collected information regarding the type of service delivery settings, as well as the direct and supportive services being offered by providers. Detailed information was requested on characteristics of the education program, handicapping conditions served, instructional and

related services provided, staffing, technical assistance, monitoring procedures, project evaluation, state standards, and P.L. 89-313 program emphasis and perceived impact. This questionnaire was the source of specific information relating to the history, objectives, and organization of the individual providers.

- Provider Data Package: This was used to collect data on the characteristics of the facility, participation of children aged 0-21 in education programs, the source of funds used to support diverse program elements, as well as the allocation of staff time to each program component.

The data collection approach for the study involved using verification questions on two or more instruments that were keyed to a particular area of inquiry. For example, if the State Education Agency was asked to describe a certain operational procedure employed when dealing with providers, providers were asked a related question designed to yield the same or similar information. This was done both to check the validity of the data and to find out if respondents had similar perceptions about education programs, P.L. 89-313 project administration, etc. Both findings are important in evaluation studies of this type where programs are operated within complex environments and under varying structural and administrative conditions.

All data collection instruments used in the study were pretested for structure, content, and usability. The instruments were pretested in the states of New Jersey, Virginia, and Washington, During the pretest visits, interview sessions were held with both the SEA and the non-education State Agency respondents. Interviews were also conducted with seven providers in these states. As a result of the pretest, various questions or data items that appeared ambiguous or were burdensome to complete were reworked, omitted, or replaced with different items.

FIELD ORGANIZATION AND PROCEDURES

The field work required approximately five weeks. During this period, a team of field personnel conducted site visits to 72 of the 73 providers in the sample, the 15 State Education Agencies, and the 20 non-education State Agencies in the sample states. An average of one day was required for each visit.

Immediately after final sample selection, Rehab sent a letter to all sites in the sample on U. S. Office of Education letterhead. This letter advised the State Education Agencies, State Agencies, and providers in the sample that they had been selected to participate in the study and that they would be receiving explanatory materials and the data collection forms in the mail. Training plans and schedules for field personnel were developed. A two-day training session was held. Field interviewers were trained in the following:

- background of the study, including objectives;
- sample design;
- site visit procedures;
- interview techniques;
- data handling and reporting procedures;
- monitoring procedures; and
- data collection instrumentation.

Every opportunity was afforded the field interviewers to ask questions and make comments during the training. The project staff evaluated the performance of each interviewer to determine if anyone needed additional training. Reinforcement training was provided for those who required it.

Specific work plans were developed for each state. These plans outlined which personnel were going to make each site visit during a specified time. These individual work plans served as the basis for the initial contact between the field staff and the State Education Agencies, State Agencies, and providers. Subsequently, the field staff made their initial contacts with each of the sample State Agencies and providers to introduce themselves and develop the schedule for the data collection personnel. During this initial contact, the field interviewers briefly reiterated the purpose and objective of the study and briefly outlined the type of data required and the personnel to be interviewed. Any problems in scheduling were noted and included in the final work plans.

Approximately 48 hours in advance of their scheduled site visits, field staff contacted the respondents at each of the sites to confirm the date and time of the visit. Due to inclement weather in many parts of the country during the time available for site visits (January and February), a number of schedule changes were required. Only one site visit could not be rescheduled.

The Data Collection Guides were administered on site by Rehab staff and consultants. Interviews were conducted with cognizant staff at the State Education Agencies, State Agencies, and providers. In most instances a single person was able to respond to the areas of inquiry specified in the guide. In some instances, however, two or more personnel were interviewed in order to complete all areas of inquiry. The SEA and SA Data Collection Forms and the Provider Data Package were generally completed prior to the site visit. Data provided on these instruments were reviewed on site by the Rehab field staff to ensure that all questions were completed accurately.

DATA ANALYSIS METHODOLOGY

As indicated previously, the sample of providers was not designed to meet rigorous criteria for making statistical projections for national estimates or for the 15 selected states. However, random procedures were used to assure unbiased selection. Thus, we believe that the sample is sufficient to serve as a basis both for assessing administrative and programmatic processes used by providers and for determining possible problem areas. The overall design plan provided case study coverage of various types of educational programs being implemented by 72 providers who received funding under the P.L. 89-313 program.

The State Agency and provider selection procedures made it possible to assess linkages between State Agencies and providers concerning administrative procedures and the setting and implementation of standards. The fact that the

sample of states received over two-thirds of total fiscal year 1978 P.L. 89-313 funding assured adequate coverage with respect to the overall program.

Tabulation

The next step in the analysis was preparing detailed tabulations and cross-tabulations of the data from several sources. The analysis of tabular data was structured to address each of the areas of inquiry in terms of specific evaluative inquiries and data analysis requirements. Where similar areas of inquiry were addressed by different respondents, a case-by-case or state-by-state validation or comparison was undertaken.

The data collected for each area of inquiry was tabulated for initial review and inspection prior to conducting the analysis. Because of the descriptive nature of the study, the analytical techniques were of an elementary nature in line with characteristics of the information collected. Summary tabulations were developed across the 12 large states participating in the study as a group and individually for the three case study states as follows:

- age distribution of client population by handicapping condition and residential status;
- number of providers by state, mode of delivery, and primary handicapping condition served;
- total client population by handicapping condition and residential status; and
- age distribution of P.L. 89-313 program participants by handicapping condition and residential status.

The following information was collected from providers:

- client population served by age;
- enrollment of pupils in programs by age;

- P.L. 89-313 program participants by age for instructional and related services;
- P.L. 89-313 program participants by age for other than instructional and related services;
- P.L. 89-313 program participants by primary handicapping conditions receiving instructional services;
- ratios of staff to pupils;
- expenditure per client for education programs;
- gross expenditure per pupil by type of program;
- average expenditure per staff member;
- revenues received for FY 78;
- summary comparison of residential and day programs in terms of:
  - number of pupils enrolled,
  - number of P.L. 89-313 pupils,
  - number of staff,
  - FTE per pupil, and
  - education expenditure per staff member,
- average number of hours of instruction per pupil per week;
- average number of hours of instruction per year by age group; and
- summary data by providers according to the type and size of setting to:
  - service characteristics,
  - delivery mode,
  - program priorities, and
  - resources.

PART II

STATE AGENCY ASSESSMENT

CHAPTER 3

INTRODUCTION

This section presents the results of our analysis of tabulations of the responses from the survey of the 15 State Education Agencies and 20 non-education State Agencies included in this study. Information was secured from one State Education Agency in each of the twelve largest states and three case study states. In addition, survey questionnaires were also administered in 18 non-education State Agencies in the 12 largest states and 2 non-education State Agencies in the case study states. It is important to note that in one case study state the SEA had complete responsibility for the P.L. 89-313 program. No other State Agencies were surveyed in this state. The non-education State Agencies include such state governmental bodies as those which administer programs serving specific handicapping conditions such as schools for the deaf or blind, mental health, mental retardation, or orthopedically impaired. These agencies may also be more general in their service approach and provide services to clients with several different handicapping conditions. In this case the agencies would be known as a Department of Human Resources, Department of Public Welfare or State School District, to name a few.

Results have been reported for the four basic areas of interest corresponding to the primary objectives of the study. These are:

- Administrative Procedures;
- Program Characteristics;
- Program Standards; and
- Allocation of Resources.

The chapters in this section have also been organized and reported according to these four major areas of inquiry.

Questions have been grouped according to common area of inquiry and major interest areas. The tabulations include response frequencies for those questions that required respondents to select one or more categorized responses, as well as frequencies and totals for each question that required normative responses.

State Education Agency and State Agency survey instruments required a greater number of descriptive open-ended questions be answered by respondents than the provider questionnaires. The state level questionnaires also placed a greater emphasis on securing administrative and characteristics data than program standards and allocation of resources data.

CHAPTER 4

ADMINISTRATIVE PROCEDURES

This chapter presents the results of our analysis of the administrative procedures used by the 15 State Education Agencies and the 20 State Agencies included in this study. The responses for the 12 larger states and the three case study states have been reported together according to area of inquiry.

Several areas of inquiry have been reported in this chapter. They include:

- The Agency's Organizational Context;
- Compliance and Monitoring;
- Financial Audits;
- Verification of Enrollment Counts;
- Local Education Agency Transfer Provisions;
- Agency's Relationship with the Bureau of Education for the Handicapped;
- Consolidation of P.L. 89-313 and P.L. 94-142;
- Defining Basic Versus Supplemental Services; and
- Targeting of Funds.

The specific details relating to these areas of inquiry are discussed in depth in the body of the report. An overview of each of these study areas, however, is provided in the following sections.

ORGANIZATIONAL CONTEXT

This section covered the organizational context of the agency. An effort was made to ascertain the level of importance which the state gave its special education program by determining where the program was placed within the

agency's organization. This section also dealt with changes in the administrative structure which may have occurred since 1973 and a description of current issues revolving around these changes which may still be pending. An analysis of changes occurring in the past five years would help determine whether the state's posture toward special education was changing, and if so, whether these changes had been successfully completed.

Major findings were:

- Seven of the twelve larger SEAs and the three case study SEAs placed enough emphasis on their total special education program to the point where a special education unit had been created within the assistant superintendent, associate commissioner or division level to administer these programs.
- Eleven of the twelve larger SEAs and one case study SEA were operating separately from the other ESEA Title I or compensatory education programs.
- Six of the larger SEAs reported unresolved issues such as not having sufficient staff or funds to meet added responsibilities resulting from administrative changes.

Additional details to each of these areas of inquiry are presented in the following sections.

State Education Agency
Organizational Context

The State Education Agencies were asked to describe the general administrative structure for the education of handicapped children within the SEA organization. The respondents were also asked to discuss the position of the Special Education Unit in relationship to the P.L. 89-313 components and other ESEA Title I Programs.

Seven of the twelve responding State Education Agencies reported that enough emphasis was placed on their total special education program to the point where a special unit had been created to administer these programs. Four SEAs reported

their Special Education Unit was at the Assistant Superintendent or Associate Commissioner level, while three other SEAs reported their Special Education Unit was located at the division level which was parallel in importance to other educational divisions within the SEA. The remaining five SEAs reported their Special Education Unit was located at the bureau level. The three case study SEAs reported organizational layouts similar to those used by the twelve larger states. Further analysis of the data also revealed that eleven of the twelve larger SEAs, and one of the three case study SEAs, were operating separately from the other ESEA Title I or compensatory education programs.

Change Since 1973 in the Administrative Structure

The SEA and SA respondents were asked whether their agency had experienced any changes since 1973 in the administrative structure of the Special Education Unit. Eleven of the twelve larger SEAs and two of the three case study SEAs reported having experienced changes. Eight of the respondents explained that as time lapsed the different states realized that special education programs were growing and had different needs from regular education programs. This prompted the need to separate the two programs. Three other respondents also reported changes which included the separation of their special education program from the regular ESEA Title I Program; the addition of personnel at the state level to carry out P.L. 89-313 administrative functions; and the supervision of the educational component in facilities administered by other State Agencies which had previously only concerned themselves with treatment.

In comparison to the SEAs, ten of the larger eighteen State Agencies and one of the two case study State Agencies reported having experienced administrative changes. Some of these changes involved the movement of decision making functions to a regional or central level. Two SAs reported they had moved their education decision-making functions from a regional level to a central office level. When these two SAs attempted to administer their programs by using only a regional mechanism, they found the system cumbersome and therefore centrali ed their administrative functions. In comparison two other SAs reported moving

toward regional decision making at the local level. This meant that SA personnel would concentrate mainly on providing technical assistance, monitoring, and processing and auditing some grants to local level providers, while all daily administrative matters were handled by local regional directors.

Other changes reported by State Agencies included the separation of their agency's functions from other SAs serving the handicapped, and the transferring of the SA's educational component to Local Education Agencies or community settings. The changes reported by both SEAs and SAs indicated that in most instances attempts were being made to try new or different administrative approaches which might meet that particular state's needs.

Current Issues Regarding
These Administrative Charges

As a second part to the question regarding administrative changes occurring since 1973, respondents were asked whether there were any current unresolved issues regarding these changes.

Six of the eleven larger SEAs that experienced changes reported there were pending issues. Several of the SEAs reported more than one issue. As the programs have become more complex, it has become necessary for SEA personnel to become involved in additional administrative functions. Three of the SEAs reported insufficient staff to carry out some of these required added responsibilities such as monitoring and reviewing programs. Other unresolved issues involved the SEA's intention to become more cost conscious regarding the expenditure of P.L. 89-313 funds or the attempt by SEA administration to identify additional funds to implement new responsibilities.

In contrast to the SEAs, only two of the State Agencies reported having unresolved issues as a result of the changes previously described. These included the transferring of the education component from state schools to the LEAs by an agency that had moved the decision-making process from the state level to the regional level.

The other reported conflicts existed between the SEA and SA because of differences in definitions. The SA was administering the treatment component of the program, while the SEA was responsible for the education component. Problems would arise when local providers would attempt to write individual education plans for the clients, because they were working with conflicting regulations and definitions from two separate agencies and in some cases these definitions differed.

COMPLIANCE AND MONITORING

The survey of administrative procedures used by the State Education Agencies and State Agencies involved the securing of data relative to the agency's compliance and monitoring mechanisms. The respondents were asked to describe the procedures used to assure that their special education program was consistent with state standards, criteria, or guidelines. A comparison was made of the monitoring procedures used by the State Agencies and State Education Agencies. A comparison was also made of the procedures used by the SEAs to assure consistency between state and Federal requirements. Respondents were polled to ascertain whether the P.L. 89-313 component was monitored for compliance with Federal rules and regulations. As a second part to this question, respondents were asked to name the unit within the agency responsible for performing the monitoring.

Part of the section on compliance and monitoring also posed some questions on financial audits. Respondents were asked if financial audits are required and, if so, how often. As a separate inquiry, the respondents were also asked to describe the procedures or guidelines used in conducting the audits.

Since P.L. 89-313 programs are funded on the basis of enrollment, the respondents were asked whether their agency verifies and audits the enrollment counts submitted by providers as required by the regulations. As a second part to this inquiry the respondents were asked to describe the procedures used in verifying enrollment.

Major findings were:

- Fourteen of the fifteen State Education Agencies and fourteen of the twenty State Agencies conducted site visits as a means of monitoring for compliance with state standards, criteria or guidelines. Nine of the responding states reported monitoring their programs at least annually.
- Sixteen of the twenty State Agencies reported they monitor the adequacy and appropriateness of educational programs in state-operated and state-supported schools.
- Thirteen of the fifteen State Education Agencies and fifteen of the twenty State Agencies reported monitoring their P.L. 89-313 component for compliance with Federal rules and regulations.
- Thirteen of the fifteen State Education Agencies and sixteen of the twenty State Agencies require financial audits of the P.L. 89-313 component. Twelve of the fifteen SEAs reported having established procedures for conducting audits.
- Sixteen of the twenty State Agencies audit or verify enrollment counts submitted by P.L. 89-313 providers. Fifteen of the same State Agencies reported that the State Education Agency also audits these enrollment counts.
- Twelve of the fifteen State Education Agencies reported they validate the Average Daily Attendance counts submitted by P.L. 89-313 providers.

Additional details to each of these areas of inquiry are presented in the following sections.

Compliance and Monitoring Procedures

The State Education Agencies and State Agencies were asked to describe the procedures used to assure that the special education program was consistent with state standards, criteria, or guidelines.

Each of the fifteen SEAs had predetermined procedures. Fourteen of the fifteen SEAs conducted site visits as a means of monitoring compliance with state standards. The one SEA that did not conduct site visits only monitored the provider's grant applications for programmatic and fiscal information. Two of the SEAs also reported using parents or community members as part of the

monitoring team; while three others contracted with third party evaluators to augment their own monitoring.

The length of time between SEA monitoring visits also differed among states. Nine of the fourteen SEAs conducted visits at least once a year while the other states conducted visits every two to three years. The case study SEAs also reported conducting site visits every one to two years.

In comparison to the SEAs 14 of the 18 larger SAs and one case study SA monitored, audited, or enforced state standards. All of the responding State Agencies conducted site visits, however the frequency of site visits differed between State Agencies. Eight reported conducting site visits at least once a year. The others reported conducting visits more often and ranged in frequency from weekly to quarterly.

The State Agencies were also asked to name the unit or office conducting the monitoring. Seven of the SAs reported using personnel from other SAs as part of the monitoring team. The personnel included the State Personnel Office, State Fiscal Office, State Purchasing Office, or the State Education Agency. The remaining SAs reported conducting the site visits with the assistance of only State Education Agency personnel.

Analysis of this data indicated that both State Education Agencies and State Agencies had established periodic site visits to monitor for compliance. The State Agencies included SEA personnel in their monitoring efforts and were following criteria and standards set by the SEA.

Difference in Monitoring Procedures Used by the State Education Agency and State Agency

The second part of the question on monitoring asked the State Agencies whether the monitoring procedures used by their agency differed from those procedures used by the State Education Agency. Six of the eighteen larger SAs, and one of the case study SAs, believed the procedures differed. The respondents were

divided in their answers. Three of the SAs believed their monitoring process was more detailed than that used by the SEA. Whereas the SEA might focus only on the education component, the SA would review the entire program. The other SAs expressed an entirely opposing view. They thought the monitoring review conducted by the SEA was more detailed than that conducted by the SA. The one case study SA reporting differences stated that their agency only monitors private vendors; whereas the SEA monitors all SA providers by using a special monitoring team and securing more detailed information. In general there appeared to be consistency in the procedures used by the SEAs and SAs to monitor for compliance.

Different Procedures for Assuring Consistency Between State and Federal Requirements

The State Education Agencies were asked whether the procedures used to assure consistency with state standards differed from those procedures used to assure consistency with Federal requirements. Only two of the twelve larger SEAs, and none of the case study SEAs, believed that procedures differed. One SEA reported that they used a third party monitoring team when monitoring for consistency with Federal requirements, while the other SEA reported that they sought more detail when monitoring for Federal requirements than when monitoring for state requirements.

Monitoring the Adequacy and Appropriateness of Educational Programs in State-Operated and State-Supported Schools

The State Agencies were asked whether they monitor the adequacy and appropriateness of educational programs for children and youth from birth to twenty-one years of age in state-operated and state-supported schools. As a second part to this question, they were asked to describe the procedures used and the criteria followed in performing this monitoring. Sixteen of the larger eighteen SAs reported performing this monitoring. The two case study SAs do not monitor

the educational programs. Twelve of the sixteen reported that State Agency personnel perform site visits. Eleven monitored annually. The others reported reviewing student performance records to ascertain how the child was progressing; or reviewing monthly and quarterly reports submitted by the providers.

In comparison to the SEAs, the sixteen State Agencies could be divided into three responding groups. The first group reported using a combination of state and Federal regulations such as P.L. 89-313 and P.L. 94-142 as a basis for monitoring. The second group stated that they monitor the providers by weighing their performance against the program objectives identified in the provider's proposal to the state. The third group reported using the criteria identified in the children's IEPs as a basis for determining whether the children were making progress throughout the year.

Monitoring the P.L. 89-313 Component for Compliance with Federal Rules and Regulations

The State Education Agencies and State Agencies were asked whether their agency monitored the P.L. 89-313 component for compliance with Federal rules and regulations. Ten of the twelve larger SEAs, and all three of the case study SEAs, reported having completed this monitoring process. The second part of this question asked the SEAs to name the office within the SEA reponsible for conducting the monitoring, the procedures used, and the frequency of the monitoring. Nine of the respondents reported that a particular office or division concerned with special education within the SEA was responsible for conducting the monitoring. A major trend noted was that in most instances the SEA had removed monitoring responsibility away from regular compensatory education. The procedures used by the ten SEAs to monitor the P.L. 89-313 component were similar to each other. Eight of the ten SEAs reported sending one person or a team to conduct site visits using a standardized monitoring questionnaire. The remaining two SEAs also conducted site visits with the difference that their site visits were preceded by an audit conducted to highlight possible areas which might require detailed monitoring.

The frequency of visits to monitor the P.L. 89-313 component varied significantly among the ten SEAs. Four reported conducting annual visits. The others reported frequencies ranging from quarterly visits to every three years. The responses of the three case study SEAs varied only slightly from those of the ten larger SEAs. They relied on a special education entity within the SEA, and conducted monitoring visits at least annually.

Fifteen of the eighteen larger State Agencies reported monitoring the P.L. 89-313 component for compliance with Federal rules. Three other large State Agencies and the two case study State Agencies reported they did not conduct any monitoring.

The agency or unit responsible for conducting the monitoring varied among the SA respondents. Five reported conducting joint visits with the SEA. One of the five also reported including personnel from other SAs, such as the State Comptroller's Office and SA regional coordinator. Another five SAs reported that they were solely responsible for the visits. The remaining five stated that monitoring visits were conducted only by the SEA.

The procedures used by the SAs to conduct the monitoring differed significantly from those used by the SEAs. Only three of the fifteen SAs conducted some form of desk[1] or program audit prior to the site visit. In contrast to the SEAs, more than half of the responding SAs employed this type of procedure when conducting the monitoring. The SAs also seemed to probe both into more areas and in greater depth than the SEAs. One SA reported using monitoring procedures that were ongoing most of the year. They start in July by performing a desk audit of each provider to spot possible areas requiring further clarification. In September, a four person team composed of SA and provider personnel, as well as community members, conducts a four day site visit, during which they review fiscal and program components. In September, the SA also runs a computer check on student data. In January, the SA staff conducts a

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[1] A desk audit was defined as a review of provider statistical information, including financial and enrollment data as well as a review of the previous application.

provider site visit to monitor action taken by the provider to correct program deficiencies. In June SA staff do a computer evaluation of all clients' test scores.

Like the SEAs, the frequency of monitoring visits by the State Agencies varied widely. Seven reported performing visits at least annually. The remaining State Agencies ranged in frequency from bimonthly visits to every two years.

In general it was noted that both the SEAs and SAs had established procedures and criteria for monitoring the P.L. 89-313 component for compliance with Federal rules and regulations.

Financial Audits

Both the State Education Agency and State Agency were asked whether their agency requires financial audits of the P.L. 89-313 component. As a second part to this question, the SEAs were asked how often the audits are conducted. The SA respondents were asked to name the agency responsible for conducting the fiscal audits.

Ten of the twelve larger SEAs, and all three of the case study SEAs, stated they required audits. Six of the larger SEAs require annual audits, while the remainder ranged in frequency from monthly to every three years. The frequencies reported by the case study states were every year and every two years.

In comparison with the State Education Agencies, fourteen of the eighteen larger SAs, and both of the two case study SAs, require audits of the P.L. 89-313 component. The second part of the question requested that the State Agency respondent name the agency responsible for conducting the audit. Seven of the larger State Agencies and the two case study SAs reported they rely on the SEA to perform the audit. The remainder stated they rely on the State Auditor's Office, certified public accountants or a combination of SEA and SA personnel to conduct audits.

Establishing Procedures or Guidelines for Conducting Fiscal Audits

The State Education Agencies were asked whether they had established procedures or guidelines for conducting fiscal audits of the P.L. 89-313 component. As a second part to this question, they were asked to describe the procedures. Ten of the twelve larger SEAs, and two of the three case study SEAs, reported using established procedures. Five of the larger SEAs reported conducting audits in concert with the State Division of Finance or State Audit Office. One of these SEAs reported they audit other State Agencies, who in turn audit the local providers on site. Another of this group conducts the initial audit then forwards any questionable expenditures or audit exceptions to the State Audit Division. The remaining SEAs reported they conduct reviews of provider's records, program, and expenditures based on previously defined objectives. The fiscal auditing procedures used by the two case study SEAs are similar to those used by the larger SEAs.

In general it was noted that both SEAs and SAs had established procedures or guidelines for conducting audits of the P.L. 89-313 component on a periodic basis.

State Agency Verification of Enrollment Counts Submitted by Providers

The State Agencies were asked whether they audit or verify the enrollment counts submitted to them by the P.L. 89-313 providers under their supervision. As a second part to this question, they were asked to describe the procedures they use to verify these counts. Sixteen of the larger eighteen SAs reported verifying enrollment counts, but neither of the two case study SAs verify enrollments. One of the two case study SAs reported that this function is the responsibility of the SEA. Several procedures are used to verify the enrollment counts. Five SAs reported using computers to check master lists or printouts against the names submitted by the providers. Others reported their

staff engaged in on site reviews of the providers to verify enrollment counts; while a third group reported verifying names submitted to them by the SEA.

State Agency Enrollment Counts
Audited by the State Education Agency

As a follow-up to the previous question, the State Agencies were asked whether the State Education Agency audits their enrollment counts. The second part of the question asked that the SA describe the auditing procedures. Thirteen of the eighteen larger SAs, and both of the two case study SAs, reported their enrollment counts are audited by the SEA. Seven of the State Agencies reported that the SEA visits providers and checks a random sampling of records on site against the children's presence. The remaining SAs reported that the SEA audits enrollment counts by checking the State Agency's own records. The procedures described by the case study SAs did not differ significantly from those used by the seven larger SAs.

State Education Agency Verification
of ADA Counts Submitted by Providers

The State Education Agencies were asked whether they validated the ADA counts provided by the state-supported and state-operated schools in their state. Ten of the twelve larger SEAs, and two of the case study SEAs, said they did validate counts. As a second part to the question, the respondents were asked to describe the processes used to validate these counts. Six respondents reported performing a desk audit that involved a review of the census count submitted by the provider. Two of these followed the desk audit with a formal on-site review, which involved counting children in the program. The other respondents as well as the case study SEAs reported performing a formal on-site review of the provider.

Analysis of the data indicated that both State Education Agencies and State Agencies had established procedures for verifying enrollment counts and ADA counts submitted by the providers. Some relied on computers to perform the

task. Other completed a dual verification process by auditing census counts at the state level, which in turn was followed by an on-site verification. No major trends were noted, as in some cases the verification process was initiated by the SEA and in other cases by the SA.

LOCAL EDUCATION AGENCY TRANSFER PROVISIONS

The passage of Public Law 93-380 in 1974 amended the original Title I act to allow P.L. 89-313 funds previously used to serve a child in a state-operated or state-supported school to follow the child should the child transfer to a local education agency. A number of questions regarding LEA transfers were posed during this study.

The SEA and SA respondents were asked whether their agency had developed procedures for fulfilling the LEA transfer provisions. They were also asked to describe the procedures. The respondents were asked whether any problems had been encountered during the implementation of the LEA transfer provisions and also whether any impact on the administration of the P.L. 89-313 component had been felt as a result of the transfers.

Three other related inquiries on LEA transfers involved the respondents' views regarding the adequacy of the LEA transfers, an estimate of the number of transfers occurring in their agency since 1973, and an estimate of the projected increase or decrease in transfers that might occur in the next three years.

Major findings were:

- Fourteen of the fifteen State Education Agencies and fourteen of the twenty State Agencies reported their agencies had developed procedures for ensuring fulfillment of the P.L. 93-380 Local Education Agency transfer provisions.
- Ten of the fifteen State Education Agencies and nine of the twenty State Agencies reported having encountered problems in implementing and monitoring the LEA transfer provisions.

- Ten of the fifteen State Education Agencies and seven of the twenty State Agencies reported the administration of their P.L. 89-313 program had been impacted as a result of the LEA transfer provisions. The major impact had been the additional work load caused by implementing the transfer provisions.

- Fourteen of the fifteen State Education Agencies and twelve of the eighteen State Agencies were opposed to the LEA transfer provisions because of the extensive amount of documentation required.

- Six of the fifteen State Education Agencies thought the number of LEA transfers would increase during the next three years; while ten of the twenty State Agencies thought transfers would remain at the same level.

Additional details to each of these areas of inquiry are presented in the following sections.

Procedures for Fulfilling Local Education Agency Transfers

The State Education Agencies and State Agencies were asked whether their agency had developed procedures for ensuring fulfillment of the P.L. 93-380 Local Education Agency transfer provisions. As a second part to the question, they were asked to describe the procedures they use to ensure that transfer clients continue to receive benefits. Eleven of the larger SEAs, and all three of the case study SEAs, reported using established procedures. The procedures used by the different SEAs seem to fall into four groups. The information on the transfer was initiated either by the SEA, the SA, the provider, or the LEA.

Four of the SEAs reported that their agency is responsible for initiating the flow of transfer information. The SEA contacted the SA to secure names of transfer students, then contacted the LEA directly to ascertain if they had enrolled the child. In other cases the SEA sent letters to the providers requesting names of transfer students. These names were then sent to the SA for verification by their computer. When the SAs were responsible for initiating the flow of transfer information, the transfer students were identified during the October 1 child count; or the SA secured names of transfer students

from the providers and sent these names to the SEA. The SEA then coordinated the transfer with the LEAs. Cases where the providers were responsible for initiating the flow of transfer information, the provider notified the SEA of the transfer, which then coordinated the transfer with the LEA. When the LEA initiated the transfer process names of students they wished to serve were submitted to the SEA. The SEA verified that the children were eligible.

The responses by the three case study SEAs on the LEA transfer question did not differ from those provided by the larger SEAs. When asked the same question regarding LEA transfers, fourteen of the eighteen larger SAs reported using established procedures for fulfilling the LEA transfer provisions. Neither of the two case study SAs reported having met this requirement. One of the larger SAs and one of the case study SAs responding negatively explained that the SEA was responsible for all transfers. The procedures described by the SAs did not differ from those described by the SEAs.

Problems Encountered in Implementing and Monitoring the Local Education Agency Transfer Provisions

The State Education Agencies and State Agencies were asked whether they had encountered any problems or obstacles in implementing and monitoring the LEA transfer provisions. As a second part to this question, they were asked to describe any problems or obstacles and explain how they were overcome. Eight of the larger SEAs, and two of the case study SEAs, reported having encountered problems. Most of the problems described had not been resolved. The SEA respondents explained that some LEAs do not want the transfer money because they are worried about the "basic vs. supplemental" requirements. They also stated that the amount of money to be transferred to the LEAs is small. There are limited ways the LEAs can use the money because of the small amount involved. Other problems mentioned, not necessarily concerned with funds, involved client confidentiality problems when transfers occur; getting public schools to respond and submit the transfer information the SEA requires; and the need for the SEA

to acquire more staff to complete the transfer paperwork. The problems described by the case study SEAs were not very different from those presented by the larger SEAs.

The SAs were also asked whether they had encountered problems in implementing and monitoring the transfer provisions. Nine of the larger SAs reported problems. The two case study SAs did not report any problems. The answers provided by the SAs were similar to those provided by the SEAs. One problem in particular regarding confidentiality of student data was mentioned more often by the SAs than by the SEAs. In general both the SEAs and SAs appeared to have had problems in implementing and monitoring the LEA transfer provisions. The problems described by the respondents left the impression that implementing the transfer provisions created a sizable amount of work for the amount of funds involved.

Impact on Administration of P.L. 89-313 Program Caused by Local Education Agency Transfer Provisions

The State Education Agencies and State Agencies were asked to describe the ways in which the Local Education Agency transfer provision had impacted the administration of their P.L. 89-313 program. Seven of the larger SEAs, and all three of the case study SEAs, reported that the transfer provision affected the administration of the P.L. 89-313 component by increasing the work load for the SEAs with little or no additional compensation for this extra work. The added duties include processing of paperwork, performing additional monitoring and technical assistance, and implementing added workshops on the regulations. In addition to the increased work load, the SEAs have to meet additional deadlines. The responses by the case study states were the same as those of the larger SEAs.

Seven of the eighteen larger SAs reported that the LEA transfer provisions affect the administration of the P.L. 89-313 component. The two case study SAs did not report any impact. The answers provided by the SAs were different

than those of the SEAs. The SEAs were concerned with the added work load caused by implementing the transfer provisions. This was reported to be a problem by three of the seven SAs responding to this question. The other four SAs, however, expressed concern with the funds being transferred and believed that agencies had lost funds when the money was transferred to the LEAs. Since the State Agencies did not have administrative authority over the LEAs, the authority to administer these funds was transferred to the State Education Agency.

Respondent's Views Regarding the Adequacy of the Local Education Agency Transfer Provisions

The SEA and SA respondents were asked to discuss their views regarding the adequacy of the LEA transfer provisions. Eleven of the twelve larger SEAs, and all three of the case study SEAs, responded to this question. One respondent from the larger states did not have an opinion regarding this question. All other respondents were opposed to the LEA transfer provisions. They reiterated earlier comments regarding problems encountered because of duplicate child counts and the extensive amount of documentation required by the transfer provisions. The respondents believed that the way the regulations are written makes the money restrictive and discourages the LEAs from applying for these funds. They also thought the transfer provisions are not necessary. They explained that according to P.L. 94-142 all handicapped children must be served in a least restrictive environment (LRE). Some of these handicapped children are served in a Local Education Agency setting as a means of fulfilling the LRE requirement. If greater numbers of eligible handicapped children were being served by LEA programs, there would be less of a need to transfer children from state-supported, state-operated schools to LEAs. The case study SEA responses were similar to the larger SEA responses.

The SA respondents were also asked to provide their views regarding the adequacy of the LEA transfer provisions. Twelve of the larger SAs responded to this question. The two case study SAs did not answer this question. Of the twelve respondents, two of the SAs believed the LEA transfer provisions were useful. The other ten respondents believed the LEA transfer provisions were not useful. The responses of the SAs were similar to the responses of the SEAs to the same question.

Estimate of the Total Number of Transfers Since 1973

The State Education Agencies and State Agencies were asked to estimate the total number of children who have transferred from the agency's P.L. 89-313 program to LEA programs since 1973. The estimates provided by the SEAs were compared to enrollment figures for the present year. The total transfers for the larger twelve SEAs since 1973 ranged from one percent to 63 percent of the enrollment for the current year. Five of the twelve larger SEAs estimated that the total number of transfers since 1973 was between one and sixteen percent of their current enrollment. The remaining seven of the twelve larger SEAs estimated the transfers for their states to have been between 47 and 63 percent of their current enrollment. The three case study SEAs did not differ significantly from the twelve larger SEAs. Their estimates of total transfers since 1973 ranged from one to 61 percent of the enrollment for the current year.

The SA respondents were asked the same question regarding the estimate of total number of transfers since 1973. Their answers differed slightly from the SEA responses to the same question. The SA responses were compared against the current enrollment figures. The responses ranged from a low of three percent to a high of 500 percent for the eighteen larger SAs. The majority of the respondents believed the estimate of transfers since 1973 had been between thirteen percent and 27 percent of their current enrollment. The responses provided by the two case study SAs ranged from one to twelve percent.

Projected Increase/Decrease in Local Education Agency Transfers During the Next Three Years

The State Education Agencies and State Agencies were asked whether the number of children transferring from their agency's P.L. 89-313 program would increase, stay the same, or decrease during the next three years. As a second part to this question, respondents were asked to explain the reasons for the anticipated increase or decrease and to estimate the percentage of anticipated change.

Six of the twelve larger SEAs thought the number of transfers would increase. Three thought the transfers would decrease, while three others thought the number of transfers would remain the same. All three case study SEAs thought the number of transfers would increase. None of the respondents at either SEA or SA level were able to estimate the percentage of anticipated increase or decrease.

The SEA respondents who thought the LEA transfers would increase attributed this change to the emphasis on deinstitutionalization and the fact LEAs have the ability to secure more funds by enrolling the children in the P.L. 89-313 program instead of the P.L. 94-142 program. In contrast the SEA respondents who believed LEA transfers would decrease explained that most children eligible for deinstitutionalization have already been removed from institutions. The case study SEAs differed slightly from the larger SEAs in their responses. They believed the increase in transfers would be brought on by the additional enrollment of pre-school students, who would then be transferring to LEA programs.

The State Agencies were asked the same question regarding LEA transfers. Four of the larger SAs, and one of the case study SAs, anticipated an increase in LEA transfers. Five other large SAs believed LEA transfers would decrease, while the remaining ten SAs thought the number of transfers would remain at the same level. Their reasons for anticipated increases or decreases in transfers were similar to those provided by the SEAs.

RELATIONSHIP WITH THE BUREAU OF EDUCATION FOR THE HANDICAPPED

In order to assess the effectiveness of the relationship between the states and the Bureau of Education for the Handicapped, the SEA and SA respondents were asked to rate the quality of responses they have received from BEH on a number

of given subject areas. As a follow-up to that area of inquiry, the respondents were also asked to comment on those areas of interaction with BEH which require improvement as well as those areas of interaction with BEH which have been positive.

Major findings were:

- All fifteen State Education Agencies reported their contacts with BEH had been satisfactory. The majority of these contacts concerned the interpretation of regulations and guidelines.
- Thirteen of the fifteen State Education Agencies and six of the eighteen State Agencies thought BEH staff were accessible and receptive to the state's needs.
- Seven of the fifteen State Education Agencies believed the Policy Input Group allowed the orderly dissemination of policy interpretations from BEH to the states.
- Nine of the fifteen State Education Agencies reported that some areas of interaction with BEH need improvement. These included the inconsistencies in information provided by BEH to the states, and lack of guidance and technical assistance.

Additional details to each of these areas of inquiry are presented in the following sections.

Areas of Contact with BEH

The State Education Agencies and State Agencies were asked to rate the contacts between their agency and the Bureau of Education for the Handicapped. The areas of contact with BEH that they were asked to rate were:

- Annual progress (from application receipt through evaluation).
- Annual grant (from application receipt to final).
- Annual enrollment count (from application receipt to final).
- Interpretation of existing regulations and guidelines.
- Amendments and revisions to regulations and guidelines.

- Technical assistance.
- Compliance/monitoring.
- Corrective action.
- Other contacts.

The respondents were then asked to rate on a scale of one to four the contacts with BEH as to the following areas:

- Promptness - How prompt was BEH in responding to needs identified by the state?
- Quality - What was the quality of the response provided by BEH? Was the information useful to state personnel requesting it?
- Consistency - Was BEH's response consistent with Federal regulations? Did BEH's position on a given subject area remain constant, or did their stance change?
- Follow-up - Did BEH follow-up on the original contact with the state so as to provide additional needed information?
- Corrective Action - If corrective action was required by the state or BEH, how appropriate was BEH's action?

The State Education Agencies and State Agencies were asked the same questions regarding their relationship with BEH. The majority of SA respondents explained that most interactions with BEH in their state were handled by the SEA. Only two of the twenty State Agency respondents were able to answer the questions regarding their contacts with BEH.

In general the fifteen State Education Agencies reported their contacts with BEH had been satisfactory. The majority of contacts between the states and BEH concerned the interpretation of regulations and guidelines. Other areas mentioned often included contacts regarding annual progress, technical assistance, and corrective action.

Areas of Interaction with the Bureau of Education for the Handicapped Requiring Improvement

The State Education Agency and State Agency respondents were asked to comment on areas of interaction between their agency and the Bureau of Education for the Handicapped that are in greatest need of improvement. Seven of the twelve larger SEAs, and two of the three case study SEAs, responded to this question. Those SEAs not responding to this particular question explained that most of their interactions with BEH were positive and did not need improvement. Five of the twelve larger SEAs believed that on some occasions there seem to be inconsistencies in the information that BEH provides to the states when interpreting guidelines and regulations or when providing guidance on reporting child counts. The respondents noted there seems to be a lack of communication among BEH personnel on some of these issues.

Three SEA respondents reported BEH did not provide sufficient guidance or technical assistance to the states so that problems could be corrected according to BEH's expectations. Quite often SEA personnel are unable to obtain answers to questions either by telephone or in writing. BEH monitoring visits are not followed by identified corrective action plans that the states could follow to resolve problems. The comments to this question that were provided by two of the three case study states were similar to the responses by the larger twelve SEAs.

The SAs also were asked to comment on interactions with BEH that need improvement. Four of the larger SAs responded to this question. The case study SAs did not comment. The four State Agencies discussed the problem with the flow of funds to the states. The program year begins July 1st; however, the SAs do not receive funds until August or September.

Areas of Interaction with the Bureau of Education for the Handicapped Which Have Been Positive

The State Education Agencies and State Agencies were requested to provide comments on their agency's positive interactions with BEH. Ten of the twelve

larger SEAs, and all three case study SEAs, responded to this question. All ten of the larger SEAs responding to this question thought BEH staff were cordial and accessible when dealing with SEA staff and were receptive to the needs identified by the SEA. Five of the ten SEAs believed the Policy Input Group, which is composed of ten state P.L. 89-313 coordinators, allowed the orderly dissemination of policy interpretations from BEH to the states. The Policy Input Group was also seen as a useful vehicle for P.L. 89-313 coordinators and local project directors to express their concerns to BEH. This input from local providers and SA personnel is used by BEH in determining technical assistance to be made available to local providers and SAs. In addition the SEA respondents praised the technical assistance BEH provided them, and believed BEH workshops were informative and helped answer important policy questions. The responses provided by the case study SEAs to this question were similar to those provided by the ten larger SEAs.

In comparison to the SEAs, only six of the eighteen State Agencies responded to this question. The case study State Agencies did not provide comments. The State Agency respondents provided comments which were similar to those of the SEA respondents.

CONSOLIDATION OF P.L. 89-313 AND P.L. 94-142

The General Accounting Office conducted a study of the P.L. 89-313 programs in 1976. A major conclusion of the GAO study was that the P.L. 89-313 program should be consolidated with the P.L. 94-142 program. In order to solicit the states' opinions regarding the effects of consolidation of the two programs, a number of questions were asked. These questions included the impact that consolidation would have on the types of programs provided, the number and types of clients served, the transfer of clients, the administration of the program, and the program resources.

The major findings were:

- Nine of the State Education Agencies and eleven of the twenty State Agencies reported that fewer funds would be available as a result of consolidation of the two programs. This would result in a curtailment of services to clients.
- Seven of the fifteen State Education Agencies and eight of the twenty State Agencies believed consolidation of the two programs would impact on administration at the state level. The SEAs believed administration would be simplified while SAs believed there would be competition for funds.
- Thirteen of the fifteen State Education Agencies and eleven of the twenty State Agencies believed 80 percent of their present P.L. 89-313 funds would be lost through consolidation.
- Ten of the fiften State Education Agencies and eleven of the twenty State Agencies believed that because fewer funds would be available through consolidation, they would have to reduce their number of staff.

Additional details to each of these areas of inquiry are presented in the following sections.

Consolidation's Impact on Types of Programs

Eight of the twelve larger SEAs and one of the three case study SEAs believed consolidation would impact on the types of programs provided. Five of the respondents believed that because fewer funds would be available, they would have to restrict the number of services provided their clients. These included a curtailment of related services, pre-school and early intervention programs. The single case study SEA responding to this question differed from the larger SEAs by explaining that consolidation would eliminate duplication of projects and competition for funds.

In contrast to the SEAs, eleven of the eighteen larger SAs believed consolidation of P.L. 89-313 and P.L. 94-142 would have an impact on the types of programs provided. The two case study SAs did not expect any impact. The responses from the State Agencies regarding the type of impact were similar to responses provided by the SEAs.

Consolidation's Impact on the Number and Types of Clients Served

Three of the larger twelve SEAs, and two of the three case study SEAs, believed consolidation would have an impact on the number and type of clients served. Respondents from both the larger and case study SEAs reported that fewer pre-school clients would be served since P.L. 94-142 does not provide funds for this younger age group to be served. The respondents also believed that a greater number of severely handicapped clients would be served in state-supported, and state-operated schools since the less severely handicapped would be served by LEA programs.

Only four of the eighteen larger State Agencies responded to this question. The two case study State Agencies did not provide comments. The responses by the State Agencies were similar to those of the SEAs.

Consolidation Impact on the Transfer of Clients Currently Enrolled in State-Supported Schools

Four of the larger twelve State Education Agencies believed the transfer of clients currently enrolled in state-supported schools would be affected by the consolidation of P.L. 89-313 and P.L. 94-142 programs. The three case study SEAs believed there would be no impact on transfers.

The respondents were evenly divided on this question. Two predicted an increase in transfers as state-supported schools developed their own plan to encourage more transfers to LEAs. The other two predicted fewer transfers and believed that state-supported schools would attempt to keep clients in their schools to avoid losing funds.

In comparison to the SEAs, only three of the eighteen SAs believed the transfer of clients currently enrolled in state-supported schools would be affected by the consolidation of P.L. 89-313 and P.L. 94-142 programs. The case study SAs did not anticipate any impact. Two of the three predicted an increase in transfers.

Consolidation's Impact on Administration of the Program at the Provider Level

Three of the larger State Education Agencies, and two of the case study State Education Agencies, believed that consolidation would have an impact on administration of the program at the provider level. The respondents believed there would be fewer responsibilities for providers since they would only have to administer one program.

The responses by the two case study SEAs were similar to those of the larger SEAs. Both of the case study respondents believed the program would be simplified because they would be using only one set of guidelines.

The State Agencies' responses to this question were similar to those of the SEAs. Five of the larger SAs responded to this question. The case study SAs did not provide comments.

Consolidation's Impact on Administration of the Program at the State Agency Level

Five of the larger State Education Agencies, and two of the case study State Education Agencies, believed there would be a major impact at the State Agency level should P.L. 89-313 and P.L. 94-142 be consolidated. Three of the SEAs believed a number of administrative functions at the state level would be simplified by consolidation. Some of these functions included bookkeeping, monitoring, and collecting child counts. They also believed some state personnel might have to be eliminated because of the curtailment in responsibilities at the state level. The two case study SEAs responding to this question had opposing views. One believed the program would be simplified because they would be using only one set of guidelines. The other case study SEA believed that consolidation would place greater responsibility and work load on the states.

Some of the State Agency responses to this question differed from those of the SEAs. Some SAs seemed to believe the consolidation of P.L. 89-313 and P.L. 94-142 programs might promote competition for funds between the SEA, SA, and LEA. Eight of the larger SAs responded to this question. The case study SAs did not provide comments. One SA believed they could handle some functions such as early intervention more efficiently than the SEA. This function, however, would be lost should consolidation occur.

Consolidation's Impact on Funding

Ten of the twelve larger State Education Agencies and the three case study State Education Agencies believed consolidation of P.L. 89-313 and P.L. 94-142 programs would have an impact on funding. All thirteen respondents believed they would lose funds since P.L. 94-142 provides a lower amount of funding per child than P.L. 89-313. Eight of the ten SEAs believed they would lose at least 80 percent of their present P.L. 89-313 funds, with limited opportunity to recover them. One of the ten SEAs explained their state would attempt to introduce legislation to secure additional state funds to replace lost Federal funds, while others stated that they would attempt to use other state funds to replace lost Federal funds. The three case study SEAs did not differ from the larger SEAs in their response.

The responses by the SAs to this question were similar to the SEA responses. Eleven of the eighteen larger SAs believed there would be an impact. The two case study SAs did not provide comments. The eleven SAs believed they would lose at least 80 percent of their Federal funds.

Consolidation's Impact on Staff

Eight of the twelve larger State Education Agencies, and two of the three case study State Education Agencies, believed that consolidating of P.L. 89-313 and P.L. 94-142 programs would have an impact on staff. All SEA respondents believed they would have to reduce their number of staff. One respondent added that, in addition to a reduction in staff, they might also have to reassign present staff to cover some SEA responsibilities.

The State Agency respondents also believed they would be losing staff through the consolidation of P.L. 89-313 and P.L. 94-142 programs. Eleven of the larger eighteen SAs responded to this question. The other State Agencies as well as case study SAs did not anticipate consolidation of the two programs to have an impact on staff.

Consolidation's Impact on Facilities

Three of the twelve larger State Education Agencies and one of the case study State Education Agencies believed consolidation of P.L. 89-313 and P.L. 94-142 programs would have a minor impact on facilities. Two SEAs anticipated that the only impact would be that clients would be served in a Local Education Agency setting instead of a residential setting since programs would be under the LEA's supervision. The single case study SEA responding to this question believed that the number of facilities in their state would be reduced as a result of consolidating the two programs.

In contrast to the SEAs, five of the eighteen larger SAs anticipated that consolidating the two programs would create an impact on facilities. The two case study SAs did not provide comments. The responses by the SAs were similar to those provided by the SEAs.

BASIC VERSUS SUPPLEMENTAL SERVICES

The 1976 General Accounting Office review and evaluation of the P.L. 89-313 program suggested that the purpose of the program needed clarification. Of specific concern was whether the program should be funding only supplementary activities or helping to finance the basic state education program. In order to clarify these issues, a number of questions were asked which dealt with the issue of "basic versus supplemental".

The respondents were asked to describe the guidelines adopted by their agency for defining basic versus supplemental. They were also asked to describe the

process used to assure that these guidelines were being followed, and to describe any problems which may have arisen in their attempts to define basic versus supplemental.

Major findings were:

- Ten of the fifteen State Education Agencies and ten of the twenty State Agencies reported having guidelines for defining basic versus supplemental services. These guidelines imposed basic requirements on all providers or required maintenance of a certain level of spending.
- Twelve of the fifteen State Education Agencies and twelve of the twenty State Agencies reported having criteria to assure that guidelines for defining basic versus supplemental were being followed. These criteria included monitoring visits and review of expenditures.
- Eleven of the fifteen State Education Agencies and eight of the twenty State Agencies reported having encountered problems in defining basic versus supplemental.

Additional details to each of these areas of inquiry are presented in the following sections.

Guidelines or Criteria Adopted for Defining Basic versus Supplemental Services

The State Education Agencies and State Agencies were asked to describe the guidelines and/or criteria that their agency adopted for defining basic versus supplemental services provided to handicapped children and youth. Nine of the larger SEAs, and one of the case study SEAs, reported having guidelines. Five SEAs reported their states imposed basic requirements on all providers. These requirements mandate establishing an educational program that includes basic curriculum and minimum instructional time. All other services provided are considered supplemental. Other SEAs reported they are simply required to maintain the same level of spending as the previous year.

The case study SEA reporting the establishment of guidelines for defining basic versus supplemental explained that they use a strict fiscal definition

for distinguishing between the two. Those services not paid by local or state funds are considered supplemental and paid with P.L. 89-313 funds.

The State Agencies were also asked to describe the guidelines or criteria for defining basic versus supplemental services. Ten of the eighteen larger SAs reported having guidelines. The case study SAs did not have guidelines or criteria. The responses by the State Agencies differed slightly from those of the SEAs. The majority of SA respondents used the same criteria as reported by the SEAs; however, four other respondents reported using P.L. 89-313 guidelines.

Assurance that Guidelines or Criteria for Defining Basic versus Supplemental Are Being Followed

As a follow-up to the previous question, the State Education Agency and State Agency respondents were asked how their agency assures that the guidelines and/or criteria adopted for defining basic versus supplemental services provided to handicapped children and youth are being followed. Ten of the larger SEAs and two of the case study SEAs reported having developed procedures to assure that guidelines are being followed. Seven of the ten SEAs reported conducting periodic monitoring visits to ascertain whether guidelines or criteria are being followed. Three of this group reported that they review the provider's application prior to conducting the site visit. Three other SEAs reported that they review individual provider's applications at the state level and disapprove expenditures that appear to be basic. The responses by the case study SEAs were similar to those of the larger SEAs.

The SA responses to this question were similar to the SEA responses. Twelve of the eighteen larger SAs reported having developed procedures for monitoring guidelines or criteria for defining basic services versus supplemental services. The case study SAs did not develop procedures.

Issues or Problems in Defining Basic versus Supplemental Services

The State Education Agencies and State Agencies were asked to describe any issues or problems that may have arisen in their attempts to define basic versus supplemental services for handicapped children and youth. Eight of the larger SEAs and all three case study SEAs reported having encountered problems. Six SEAs reported having problems determining which services were considered basic by state law or Federal requirements. Respondents explained that the Bureau of Education for the Handicapped had provided limited assistance in resolving the issue. Respondents also explained the problem was complicated by the fact that most state regulations mandated that all services identified in a client's education plan be provided with state funds. Other problems mentioned included defining the role of related services personnel as well as distinguishing between medical treatment and educational services. The case study SEAs responses were similar to those of the larger SEAs.

The SAs were also asked to describe problems encountered in defining basic versus supplemental services. Eight of the larger eighteen SAs responded to this question. The case study SAs did not provide comments. Four SAs reported all their services are basic. They have problems identifying the supplementary services because there is no set definition for basic or supplemental services.

Other problems mentioned included whether the providers should be supplementing a health service or educational service when children only require related services because of severe mental handicaps; and whether providers should discontinue supplementary services for clients beyond the age of 21 who are eligible to receive state funds but not eligible to receive Federal funds.

TARGETING OF FUNDS

The Bureau of Education for the Handicapped allocates P.L. 89-313 funds to the states on the basis of the number of handicapped children counted in average daily attendance for a given school year. When originally written, Public Law 89-313 only mandated that grant funds be directed at programs and projects designed for the benefit of handicapped children. The original legislation did not address itself to the issue of targeting. In January, 1971, BEH informed the states that funds could be allocated on a priority basis. This meant that schools with higher priorities could receive a greater percentage of the funds. This position was reinforced a year later by an opinion issued by the HEW general counsel, which said that P.L. 89-313 funds must be targeted in specific areas at the discretion of the State Education Agency, and not directed at all children included in the ADA count.

When Congress passed Public Law 93-380 in August of 1974, it indicated it did not favor targeting, and wanted all children included in the ADA count to receive some benefit of P.L. 89-313 funds. In its 1976 evaluation of the P.L. 89-313 program, the General Accounting Office addressed the targeting issue. The GAO stated that fund allocation restrictions needed re-examination. Of specific concern was whether all targeting of funds should be prohibited or whether some degree of targeting could be allowed.

In order to solicit more information regarding this subject area, a number of questions on targeting were asked during the study. The respondents were asked to describe their agency's administrative and programmatic position on targeting. A number of questions regarding the effects of targeting on services to handicapped children were also asked. These included the effect of targeting on the unserved or underserved population, as well as the use of targeting to equalize educational services; to improve the quality of education; to serve minimally functioning children; or to serve higher functioning children. A final question on targeting asked participants to provide additional comments or opinions on targeting of P.L. 89-313 funds.

Major findings were:

- Ten of the fifteen State Education Agencies and sixteen of the twenty State Agencies reported they do not allow some forms of targeting, such as administrative or programmatic.
- The respondents were divided on whether targeting would increase services for the unserved or underserved population. Approximately half favored targeting, while the remainder were opposed.
- Twelve of the fifteen State Education Agencies and nine of the twenty State Agencies did not equalize educational services because services were somewhat equal already and because there are not extra funds to target.
- Eight of the fifteen State Education Agencies and ten of the twenty State Agencies did not believe targeting would improve the quality of education. They explained that targeting would not provide extra services, and that some projects might be favored over others.
- Nine of the fifteen State Education Agencies and ten of the twenty State Agencies favored targeting as a means of serving minimally functioning children. They believed they could improve services for this group of children and also serve more pre-school age children.
- Eight of the fifteen State Education Agencies and nine of the twenty State Agencies did not favor targeting as a means of serving higher functioning children, because it would not help them leave the institution any earlier, and also would contradict the IEP requirement to meet all of the child's needs.
- Eleven of the fifteen State Education Agencies and eight of the twenty State Agencies provided additional comments on targeting. In general they did not favor targeting except in limited instances.

Additional details to each of these areas of inquiry are presented in the following sections.

Administrative and Programmtic Position on Targeting

The State Education Agencies and State Agencies were asked to describe their agency's administrative and programmatic position with respect to targeting of P.L. 89-313 funds. All fifteen SEAs responded to this question.

Eight of the twelve larger SEAs reported they do not allow any form of administrative targeting. Seven of the eight also do not allow programmatic targeting of funds. Other SEAs reported that all programs receive the same funding based on a per-child count. The SEA will allow local providers to target part of their funds if they determine that some children could benefit by the extra services. Respondents explained, however, that all children must receive the benefit of some portion of the P.L. 89-313 funds. The responses by the case study SEAs were similar to those of the larger SEAs. Two of the three reported they do not allow administrative or programmatic targeting.

The SAs were also asked to describe their agency's administrative and programmatic position with respect to targeting of funds. Fifteen of the eighteen larger SAs and one of the case study SAs responded to this question. Twelve of the larger eighteen State Agencies reported they do not allow administrative targeting. Seven of these twelve also reported they do not allow programmatic targeting. Others reported they allow programmatic targeting if local providers are able to demonstrate that some students have special needs. The single case study State Agency responding to this inquiry reported they would be interested in having more flexibility in the expenditure of funds.

Effect of Targeting on the Unserved or Underserved Population

The State Education Agency and State Agency respondents were asked whether they believed targeting would increase services for children from birth to 21 years old who are not served or who are underserved.

All fifteen of the SEAs responded to this question. Six of the larger SEAs thought targeting would increase services for this group. Five other large SEAs did not think targeting would increase services. Four of the six SEAs favoring targeting thought that through targeting they could provide more intensive services for this group of children. They believed that related

services and services to pre-school age children could be improved while increasing fiscal accountability.

In contrast, the five SEA respondents who did not think targeting would increase services for populations that are presently underserved, explained that all age groups are now being served; therefore, targeting would not increase services significantly. They also did not believe that children should benefit from extra services at the expense of other groups. The three case study SEAs were divided in their responses on this question. Two favored targeting while the third was opposed to targeting.

The SAs were also asked whether they thought targeting would increase services for unserved groups. Six of the eighteen larger SAs favored targeting, nine SAs did not, and the remaining three did not know, whether targeting would increase services. Four of the SAs thought targeting would enable them to implement certain demonstration projects and document their effectiveness; two others believed targeting would provide them with the flexibility to serve new groups.

The answers provided by the SA respondents favoring targeting differed significantly from answers provided by the SEA respondents. The majority of SEA respondents favoring targeting thought that targeting would enable them to provide intensive services to some groups. In contrast, the majority of SA respondents favoring targeting believed they could expand demonstration projects through targeting.

Nine of the larger SA respondents did not think targeting would enable them to increase services for children who were underserved. Six of these respondents believed that most groups currently are being served in their states; therefore, targeting would not be of specific assistance to any one group. The other SA respondents thought other groups might be neglected as a result of targeting. Only one case study SA responded to this inquiry on targeting. They believed targeting would enable them to serve handicapped children in geographically remote areas.

Targeting as a Means of Equalizing Educational Services

The State Education Agencies and State Agencies were asked whether they thought targeting funds would enable them to equalize the educational services offered in all programs for handicapped children from birth to 21 years of age. Two of the larger SEAs favored targeting. The remaining ten large SEAs did not favor targeting. The two SEAs favoring targeting explained that by targeting funds they could direct funds to programs located in geographic areas where services might be more costly. Four of the ten larger SEAs did not think that targeting would enable them to provide any extra services. Some elaborated by explaining that services are almost equal already. Other SEAs thought that targeting would make services unequal by providing more funds for the group being targeted. Others also explained that there were not enough extra funds available to target any group of students. The responses of the three case study SEAs were similar to those of the larger SEAs. Two case study SEAs did not favor targeting as a means of equalizing services.

The SAs were also asked whether they thought targeting would equalize educational services for handicapped children. Seven of the larger eighteen SAs favored targeting for this purpose, nine other SA respondents were opposed, and three additional respondents had no opinion. Three SA respondents favoring targeting thought certain special types of demonstration programs could be developed. Other SA respondents believed the current unserved population would benefit from targeting, and also that targeting would equalize services between large and small programs. They explained that large programs are currently receiving most of the funds; therefore, targeting would enable smaller programs to attain higher funding levels.

In contrast, five SA respondents who did not favor targeting believed that some student groups would not be served as a result of targeting. Others in this group explained that when targeting was eliminated in their states, services were equalized. They also believed that services currently being provided were meeting more than the students' basic needs. Targeting would not provide extra services. The single case study State Agency responding to this inquiry favored targeting.

Targeting As a Means of Improving the Quality of Education

The State Education Agencies and State Agencies were asked whether they believed targeting would improve the quality of educational services for handicapped children in their state. Two of the larger SEAs favored targeting, six were opposed, and four were uncertain. The two SEAs favoring targeting explained that unmet needs could be met through targeting; therefore, quality might be improved.

The SEAs opposed to targeting believed targeting would not provide extra services. Some also explained that extra funds to be allocated through targeting would be minimal; therefore, targeting would not have that much of an impact on the program. Two of the case study SEAs did not favor targeting because it would benefit some groups at the expense of others.

The SAs were also asked whether they thought targeting would improve the quality of their educational programs. Four of the larger SAs favored targeting for this purpose, ten were opposed, and four had no opinion. The four larger SAs favoring targeting explained they are currently using funds to purchase quipment that is not needed. Targeting would enable them to use funds for specific services. Others stated that providers are presently attempting to serve as many clients as possible and as a result are only providing minimal services. Targeting would enable them to focus special attention on certain groups. The ten larger SAs opposed to targeting believed favorite projects would receive larger funding allocations. The providers whose personnel cannot write well would be treated unfairly. They also thought targeting would not enable the SA to create new or innovative programs, and would not improve services substantially. One of the two case study SAs responded to this inquiry. That respondent favored targeting because it would assist underserved groups. The other case study SA had no opinion.

Targeting As a Means of Serving Minimally Functioning Children

The State Education Agencies and State Agencies were asked whether they thought targeting would enable their agency to meet the special needs of minimally functioning children from birth to 21 years of age who are most likely to need extra educational services. Six of the larger SEAs favored targeting for this purpose, five were opposed, and one had no opinion. The respondents favoring targeting thought targeting would enable them to serve pre-school children who are not currently being served. They also believed targeting would enable them to improve educational programs for this group.

In contrast, the SEAs opposed to targeting were uncertain whether significant benefits would be gained by targeting. They were also opposed to the idea of serving one group at the expense of others. The three case study states favored targeting as a means of meeting the needs of minimally functioning children. The three respondents explained that targeting would enable them to provide the intensive services required by this group.

The SAs were also asked whether they believed targeting would enable them to meet the needs of minimally functioning children. Nine of the larger SAs favored targeting. Six were opposed to targeting, and four others had no opinion. Six of the nine SA respondents favoring targeting believed targeting would enable them to intensify the services currently being provided to this group. Others thought targeting would provide the necessary flexibility in program design needed to help motivate children. In addition, they explained that because of targeting they had been able to demonstrate to the state legislature that certain groups can be educated.

The SA respondents opposed to targeting explained that the majority of the present population being served are minimally functioning and severely handicapped; therefore, targeting would not assist this group. Other SA respondents believed that children who generate the funds should benefit from the

services. The single case study SA responding to this inquiry favored targeting and explained they could provide services to the population that is presently underserved.

Targeting As a Means of Serving Higher Functioning Children

The State Education Agencies and State Agencies were asked whether they believed targeting would enable their agency to meet the special needs of higher functioning children who are more likely to develop to the point of leaving the institution. Three of the larger SEAs favored targeting for this group of children. Seven other large SEAs were opposed to targeting, and two additional SEAs expressed no opinion.

The SEAs favoring targeting thought targeting would enable them to spend more money on the group most likely to benefit from specialized services. They also favored targeting if the funds were designated only for the higher functioning group.

In contrast, the seven large SEAs opposed to targeting did not believe targeting would assist this group substantially. They also explained that Individual Education Plans required meeting all needs; therefore, targeting would contradict this requirement. Two of the three case study SEAs favored targeting for higher functioning children. The two case study respondents explained that targeting would enable them to provide more socialization skills while children are in transition from the state school to a local education agency or community setting.

The SAs were also asked whether they believed targeting would enable their agency to meet the special needs of higher functioning children. Six of the larger SAs favored targeting this group of children. Eight other large SAs opposed targeting, and four others had no opinion. Four respondents favoring targeting explained that higher functioning children were being phased out of institutions. Targeting might help accelerate this process by

enabling them to concentrate services for this group. Others believed that certain groups, such as the deaf and blind, could benefit by receiving special services.

In contrast, the eight larger SAs opposed to targeting thought targeting will not help this group leave the instituion any earlier. By the time the children in this group reach a higher functioning level, they are ready to leave the institution; therefore, targeting will not have that much of an effect. They also believed that children in lower functioning groups need more assistance than higher functioning children. The single case study SA responding to this question did not favor targeting.

Additional Comments or Opinions on Targeting of P.L. 89-313 Funds

The State Education Agencies and State Agencies were asked to provide additional comments or opinions with respect to the issue of targeting of P.L. 89-313 funds. Eight of the twelve larger SEAs, and all three case study SEAs, responded to this question. Four SEAs believed that children who generate the funds should receive benefit from the services. Some thought targeting can be beneficial if used to serve a small group of children over a long period of time. Others believed the Bureau of Education for the Handicapped should clarify their stance on targeting. If targeting is allowed by BEH, it should be at the discretion of the state or local provider, and should be based on individual needs. Two of the case study SEAs thought targeting should be allowed. The third case study SEA did not favor targeting.

The SAs were aslo asked to provide any additional comments or opinions with respect to targeting P.L. 89-313 funds. Seven of the eighteen larger SAs, and one of the two case study SAs, responded to this question. In general, they believed targeting should not be allowed. Some explained it might be better to set up client categories and target within these categories. Mainstreaming becomes more difficult when funds are targeted. The purpose of the Individual Education Plan is to eliminate targeting, yet the Individual Education Plan can be viewed as a form of targeting. Others believed the funding formula should be based on the severity of the clients' handicaps. It should

be broken down further so that clients who are more severely handicapped would receive more money. As explained by one respondent, targeting was not addressed in the original legislation. This meant some programs started using targeting in their service design and now find it difficult to change because they have created a dependency on Federal funds for certain functions.

The single case study SA providing comments on targeting thought more flexibility in the use of program funds would be desirable.

CHAPTER 5

PROGRAM CHARACTERISTICS

This chapter presents the results of our analysis of the Program Characteristics as reported by the 15 State Education Agencies and 20 State Agencies included in this study. The responses have been reported separately for the 12 larger states and the three case study states. Comparisons were made between the historial changes occurring since 1973 in the total special education program and the P.L. 89-313 component operating within the special education program. As a follow-up to these questions the respondents were asked to describe the impact felt on the administration of the special education program and the P.L. 89-313 component as a result of the historical changes described earlier. Other areas of inquiry reported in this chapter included a comparison of state schools and Local Education Agency programs, as well as an analysis of the influence that state and Federal regulations have had on program differences.

HISTORICAL CONTEXT

In order to compare the changes which the total special education program and P.L. 89-313 component have experienced since 1973, a number of questions were asked which sought to secure quantative data on program characteristics. The areas of inquiry included numbers, ages, handicapping conditions, service delivery settings, program priorities. services, staff, and facilities.

Major findings were:

- Nine of the State Education Agencies reported increases in numbers served since 1973 in both the total special education program and P.L. 89-313 component; eight of the 20 State Agencies reported decreases.
- Both SEA and SA respondents reported serving greater numbers of younger children of pre-school age as well as older clients beyond 21 years old since 1973 in both the total special education program and P.L. 89-313 component.
- Fourteen of the 15 State Education Agencies and 12 of the 20 State Agencies reported serving greater numbers of more severely and multi-handicapped clients in both the total special education program and P.L. 89-313 component.

- Both SEA and SA respondents reported having experienced a greater number of changes in service delivery settings in the total special education program than in the P.L. 89-313 component.
- The SEA respondents reported increasing services to the severely handicapped and the addition of community based programs as major changes in the total special education program and P.L. 89-313 component; while the SA respondents reported increasing educational services and early intervention programs.
- The SEA and SA respondents reported that the major changes in staff of the total special education program and P.L. 89-313 component were the addition of certain staff positions at the provider and state level as well as the expansion of certification requirements.

Additional details to each of these areas of inquiry are presented in the following sections.

State Education Agency and
State Agency Historical Context

The State Education Agencies and State Agencies were asked to describe the history of their total special education program, along with the history of their P.L. 89-313 component, with respect to changes and trends that have occurred since 1973. Comparisons were then made between the changes that the total program has experienced, as opposed to changes occurring in the P.L. 89-313 component. The areas of inquiry that respondents were asked to comment on were:

- Number of Children Served.
- Ages Served.
- Characteristics of the Client Population (types and severity of handicapping conditions).
- Service Delivery Settings.
- Program Priorities
- Services Provided (education and related services).

- Staff.
- Provider Facilities.
- General Quality of Providers' Services.

Number of Children Served

Eight of the largers SEAs and one case study SEA reported an increase in the number being served by the total special education program. Seven of these eight and one case study SEA also reported an increase in the number of children served by the P.L. 89-313 component.

In contrast to the SEAs, seven of the larger State Agencies and one case study State Agency reported decreases in both the total special education program and P.L. 89-313 component.

Ages Served

The respondents reported that since 1973 their states had begun serving greater numbers of younger clients of pre-school age, clients older than 21 years of age, or a combination of the two groups. Four of the larger SEAs and one case study SEA reported serving greater numbers of younger clients in their total special education program, while three different respondents reported serving greater numbers of younger clients in their P.L. 89-313 component.

Three other large SEAs and one case study SEA reported serving greater numbers of both younger and older clients in their total special education program and P.L. 89-313 component since 1973.

Like the SEAs, the State Agencies in the 12 larger states and case study State Agency reported serving increasing number of younger clients of pre-school age, clients older than 21, or a combination of the two groups. The trends reported by the SAs were similar to those reported by the SEAs.

Characteristics/Type of Handicapping Condition

The State Education Agencies reported changes in types of handicapping conditions served in the special education component were not significantly different from those changes reportedly occurring in the P.L. 89-313 program. Respondents reported serving more profoundly retarded, learning disabled, deaf, deaf/blind, and orthopedically impaired children in the total service education program. In contrast, the same respondents reported serving increasing numbers of mentally retarded, deaf, and deaf/blind children in the P.L. 89-313 component. One major difference that was noted was that additional numbers of mentally retarded children were being served by the P.L. 89-313 component, which was largely educationally oriented; whereas the more profoundly retarded were being served by the state's own special education program which was more treatment-oriented.

The case study State Education Agencies reported that no changes had occurred in the type of handicapping conditions served by the total special education program or P.L. 89-313 component.

The State Agencies reported that changes in type of handicapping condition occurring in the special education component were not significantly different from those changes reportedly occurring in the P.L. 89-313 component. Respondents reported serving increasing numbers of developmentally disabled, drug-affected patients, the mentally retarded, and the orthopedically impaired in the special education component. These same handicapping conditions, along with severely emotionally disturbed patients, were reportedly being served in increasing numbers by the P.L. 89-313 component. One SA reported serving increasing numbers of drug-affected patients. In contrast, the SEAs did not report serving clients with this type of condition.

Both case study SAs reported that no major changes had occurred in the type of handicapping condition served by the special education program or the P.L. 89-313 component.

Characteristics/Severity of Handicapping Conditions

The respondents from the 12 larger SEAs and two case study SEAs reported serving more severely handicapped children in the special education programs. Eight of the same SEAs and two case study SEAs reported serving increasing numbers of more severely and more multi-handicapped children in the P.L. 89-313 components.

In contrast to the SEAs ten of the larger State Agencies and two case study State Agencies reported serving more severely and multi-handicapped clients in both the special education program and the P.L. 89-313 component. This differed slightly from the trend reported by the SEAs, where the multi-handicapped were reportedly being served only by the P.L. 89-313 component.

Service Delivery Settings

Changes in delivery settings since 1973 seemed to be more predominant in the special education program than in the P.L. 89-313 component. The SEA respondents reported the addition of nursing care programs, multi-handicapped service units, itinerant teachers, community schools, LRE placements, state school placements, and LEA placements in the special education program. In contrast, the same respondents reported the addition of community schools, itinerant teachers, preschool day centers, and guidance counseling programs in the P.L. 89-313 component. Community schools and itinerant teachers were mentioned as having been added in both the special education program and the P.L. 89-313 component.

Like the findings reported by the SEAs, the State Agencies reported the change in service delivery settings seemed to be more predominant in the special education program than in the P.L. 89-313 component. SA respondents reported adding group homes, community service providers, and sheltered workshops to the special education program, while at the same time reducing the number of day service centers. In contrast, they reported adding community schools and itinerant programs to their P.L. 89-313 component.

Program Priorities

Some items, such as additional educational services, individualized instruction, prevocational/vocational instruction, and increased services to the severely handicapped, were considered as priorities by both the SEA and SA respondents. The only responses by the larger SEAs that appeared as additions to both the special education program and the P.L. 89-313 component were services to the severely handicapped and community based programs.

Case study SEA respondents reported adding special programs for the severely handicapped, emphasizing an improved program management, and emphasizing the use of occupational and physical therapy as changes that had occurred in the special education program. The addition of special programs for the severely handicapped was also mentioned as a change that had occurred in the P.L. 89-313 component. Other changes reported in the P.L. 89-313 component, but not occurring in the special education program, included adding preschool programs as well as adding extra supplemental services.

The State Agency respondents from the larger states reported adding educational services, early intervention programs, family and community involvement in the treatment, as well as deinstitutionalization, prevocational/vocational education, and overall program expansion as priorities of the special education programs. Several of these items, such as educational services, early intervention, and the expansion of services, were also mentioned as program priorities in the P.L. 89-313 component. Aside from these, the respondents also reported that increased monitoring, increased services to the severely handicapped, self-help skills, the addition of staff and supplies, as well as the addition of a remediation program were considered as important priorities that had been added to the P.L. 89-313 component. This latter group of items was not mentioned in the special education program historical section.

The case study State Agency respondents reported similar changes in priorities to those reported by the larger State Agencies.

Educational Services Provided

Some services, such as early intervention programs and the addition of individualized instruction, were reported as trends by both the SEA and SA respondents, in either the total special education program or P.L. 89-313 component. The educational services that were reported by the larger SEAs to have been added to both the special education program and the P.L. 89-313 component were the use of the media, consumer education, daily living skills, multicultural education, computer assisted instruction, and individualized instruction. The case study SEAs reported similar changes in the educational services provided.

The larger State Agencies reported similar trends to those reported by the State Education Agencies. The State Agencies also reported the incorporation of educational services to the treatment model as an important addition to both total special education program and P.L. 89-313 component. The case study State Agencies did not report any major changes other than those reported by the larger State Agencies.

Related Services Provided

The State Education Agencies and State Agencies reported adding related services in general to both the total special education program and P.L. 89-313 component. Specific services which were mentioned most often included occupational and physical therapy as well as diagnosis and prescription.

Staff

Two different types of answers were provided in response to the questions about changes in staff. The SEA respondents mentioned adding certain staff positions either at the state level or provider level; or expanding certification or training requirements for the staff. The staff positions that have been added included administrators, evaluators, auditors, special consultants, and aides. Most of these staff, with the exception of the special consultants, appeared

to have been added only to the special education program at the SEA level. In contrast, five respondents reported adding general staff at the provider level who dealt with the P.L. 89-313 component. Other changes in staff revolved around the improvement of staff capabilities through increased certification requirements and implementing staff development/career awareness plans.

With the exception of the special consultants mentioned by the SEAs, the State Agency respondents provided similar answers to those of the SEAs.

Provider Facilities

The question on provider facilities appeared only in the section dealing with the special education program. This inquiry was not repeated in the P.L. 89-313 history section. In general, both SEAs and SAs respondents believed provider facilities have improved and are more barrier free. Some respondents thought more state schools are being used, while others reported that more local settings were being used in their states.

General Quality of Providers' Services

This question on the general quality of provider services appeared only in the section dealing with the history of the P.L. 89-313 component. Most of the respondents believed the quality of services had improved due to increased staff development, increased supervision, or increased needs assessments being conducted by the SEA. Some respondents attributed the improvement in the programs to influences brought about by P.L. 94-142. Other respondents believed programs had become more accountable since 1973.

THE IMPACT OF HISTORICAL CHANGES ON ADMINISTRATION

As a follow-up to the question on changes and trends occurring since 1973, the respondents were asked to describe the effect on administration of the total

special education program and the P.L. 89-313 component that may have occurred as a result of historical changes.

Major findings were:

- Eleven of the 12 SEAs reported that the administration of their special education programs had been affected by administrative changes. In most cases, this impact took the form of increased workloads.
- Eight of the 20 SAs reported that administration of their special education programs had been affected by administrative changes.
- Twelve of the 15 SEAs reported that historical changes had affected the administration of their P.L. 89-313 programs. These affects included spending more time on administrative functions and requiring local providers to be more accountable for program funds.
- Eleven of the 20 SAs reported experiencing an impact on the administration of their P.L. 89-313 components as a result of historical changes. The bulk of these affects involved performing more monitoring and adding staff at the SA level.

Impact on the Administration of the Special Education Program

The State Education Agencies and State Agencies were asked to describe the impact on administration of the total special education program as a result of the historical changes described in the previous section. Nine of the 12 larger State Education Agencies believed the administration of their special education program had been impacted. All nine reported the major impact had been the increase in workload at the SEA level. The respondents reported having to perform more monitoring and training in order to acquaint SEA and provider staff with changes in regulations and program objectives. Mention was also made of changes in program priorities, which had increased the workload. The respondents explained that the state had undertaken to serving children outside of state operated schools, in settings such as private schools, orphanages, and foster homes. This increased the amount of monitoring to be performed.

Two of the three case study SEAs reported the administration of their special education program had been impacted by program changes. Their responses were similar to those of the larger SEAs.

In comparison to the SEAs, only seven of the 18 larger State Agencies believed the special education program had experienced any form of impact as a result of the changes described in the previous sections. The respondents believed they now have more statistics to document to the state legislature the need for additional funding. There is increased communication between the State Agency personnel and the personnel from the SEA and LEAs. In some instances the administrative control over local programs has been moved from the state level to the district level. Only one of the two case study SAs thought there had been a significant number of changes to affect the administration of the program. The respondent mentioned that administration of the special education program had been centralized.

Impact on the Administration of the P.L. 89-313 Program

The SEAs and SAs were asked to describe the ways in which changes mentioned in the previous section had created an impact on the administration of their P.L. 89-313 program. Nine of the 12 larger State Education Agencies believed the administration of the P.L. 89-313 program had been impacted. Six of the nine respondents reported more time was spent on administrative functions such as monitoring. At the same time local providers were being required to be more accountable for program funds.

In comparison to the SEAs, 11 of the 18 larger State Agencies reported having experienced an impact on the administration of their P.L. 89-313 component as a result of the historical changes described in the previous sections. Seven of the eleven respondents reported having to perform more monitoring and as a result having increased the number of staff at the State Agency level. Other respondents reported that local providers must follow stricter requirements when applying to the State Agency for grant funds. The need to place more emphasis on the educational component by SA providers was also mentioned.

The two case study State Agencies did not report having experienced any impact when administering their P.L. 89-313 component as a result of historical changes.

COMPARISON OF STATE OPERATED AND LOCAL DISTRICT PROGRAMS

As mentioned in an earlier chapter, the 1976 study of the P.L. 89-313 program by the General Accounting Office concluded that the P.L. 89-313 program should be consolidated with the P.L. 94-142 program. With the majority of P.L. 94-142 programs administered almost solely by Local Education Agencies it was necessary to ascertain whether major differences exist presently in the P.L. 94-142 and P.L. 89-313 programs. A number of questions were asked of SEA and SA respondents which sought to compare differences in curricula, educational and related services, staff, facilities, ages of clients, as well as the severity and type of handicapping conditions of clients in both programs. Interviews were not conducted with Local Education Agency personnel. The responses to the questions in this section came from State Education Agency and State Agency personnel. It must be remembered that in many instances they were only providing their own perceptions regarding information on LEA programs.

Major findings were:

- Fourteen of the 15 State Education Agencies and 15 of the 20 State Agencies believed there were differences in the characteristics of client population being served in state-supported, state-operated schools and those served in LEA programs.
- Seven of the 15 State Education Agencies and 10 of the 20 State Agencies believed related services were more comprehensive and more readily available in state schools than in LEA programs.
- Nine of the 15 State Education Agencies and nine of the 20 State Agencies believed more staff per pupils are available in state schools than LEA programs and also that staff in state schools are better trained than LEA staff.
- Eleven of the 12 State Education Agencies and ten of the 20 State Agencies reported that state schools were serving greater numbers of pre-school age children and clients beyond 21 years old than LEA programs.

- Eleven of the 15 State Education Agencies and 14 of the 20 State Agencies reported state schools are serving more severely handicapped clients than LEA programs.

Additional details to each of these areas of inquiry are presented in the following sections.

Differences in Curricula

The SEA and SA respondents were asked whether they thought there were any differences in the curricula used in state schools and local district programs. Four of the larger SEAs and one case study SEA reported there was a major difference in curricula. Most of these respondents favored state school curricula over that used by the LEAs. They explained that curricula used by the state schools are more comprehensive. There is more emphasis on vocational education, extra curricular activities, and self-help skills.

In comparison to the responses by the SEAs, six of the 18 larger State Agencies and one case study State Agency thought there was a difference in curricula used by the state schools and LEA programs. The differences described by the State Agencies were similar to those named by the SEAs.

Differences in Educational Services

Respondents were asked whether they believed there were any major differences in the type of educational services provided by state schools and LEA programs. Three of the larger SEAs and one case study SEA believed differences exist. The respondents believed that educational services provided by state schools are more comprehensive than those provided by LEAs. They also explained that state schools place more emphasis on the medical model, while LEAs emphasize the academic model.

In comparison to the SEAs, six of the larger State Agencies and one case study State Agency believed there were differences in educational services offered by the two groups. Respondents in general believed state schools provide more hours of instruction than LEA programs because of the instruction provided beyond classroom hours. They also believed state schools offer more individualized instruction, more emphasis on meeting developmental objectives, and more self-help skill instruction.

Differences in Related Services

As a follow-up to the previous section on educational services, the respondents were asked whether they thought there were any major differences in the related services provided by state schools and LEA programs. Five of the 12 larger SEA respondents and two case study SEAs believed a difference in related services did exist. Three respondents believed state schools offer more comprehensive related services, because state school staff are better trained to deal with specific handicapping conditions. They also believed related services personnel are more readily available in state schools.

The responses to this question by the SAs differed only slightly from those provided by the SEAs. Nine of the 18 larger SAs and one case study SA thought there was a difference in related services between those provided by state schools and LEA programs. Their responses were similar to those of the SEAs.

Differences in Staff

The respondents were asked whether they thought there were differences in staff employed by state schools and LEA programs. Seven of the 12 larger SEAs and two case study SEAs believed a difference exists. The majority of the respondents believed state schools have more staff per pupil than LEA programs. As in the sections concerned with related and educational services, the respondents mentioned the availability of staff in state schools who are trained to deal with specific handicapping conditions.

In comparison to the SEAs, seven of the 18 larger State Agencies and the two case study State Agencies reported differences in state school and LEA staff. Their responses were similar to those of the SEAs.

Differences in Facilities

The SEA and SA respondents were asked whether there were any major differences in the facilities used by state schools and LEA programs. Only two of the 12

larger SEAs believed differences existed. One respondent thought state schools were more physically accessible than LEA programs. The other respondent thought state schools had more specialized equipment available to them than LEA programs. The single case study SEA respondent answering this question also through state schools were more accessible.

In comparison to the SEAs, six of the 18 larger SAs thought major differences in facilities existed. The two case study SAs did not report any differences. The respondents were divided in their answers with three respondents stating that state schools have older facilities with less space available, while LEAs have more facilities which are in better condition than state school facilities. The remaining three respondents provided entirely opposing views.

Differences in Ages Served

As an adjoining part to the previous question, the State Education Agency and State Agency respondents were asked whether they thought there might be a difference in ages served by the two programs. Eight of the larger SEA respondents and the three case study SEAs believed ages differed. The respondents were divided in their answers. Five reported that state schools are serving younger pre-school children. Three others reported state schools are serving greater numbers of older children than LEA programs.

In comparison to the responses by the SEAs, eight of the 18 larger State Agencies and the two case study State Agencies reported differences in ages served by state schools and LEA programs. The responses by the State Agencies were similar to those of the SEAs. Like the SEAs, the SA respondents were divided in their answers.

Differences in Type of
Handicapping Conditions Served

The State Education Agency and State Agency respondents were asked whether they thought there might be significant differences in the types of handicapping

conditions served by state schools and LEA programs. Only three of the 12 larger SEA respondents and one case study SEA thought significant differences existed. The respondents reported that state schools serve greater numbers of deaf/blind students with multi-handicapping conditions such as mental retardation. The respondents also believed greater number of mentally retarded and emotionally disturbed children are served in state schools.

When asked the same question, six of the 18 larger State Agency respondents believed differences existed in handicapping conditions. The two case study SAs did not report any differences. The responses by the six larger State Agencies were similar to those of the State Education Agencies.

Differences in Severity of Handicapping Conditions

The State Education Agency and State Agency respondents were asked whether they thought there might be significant differences in the severity of handicapping conditions served by state schools and LEA programs. Eight of the 12 larger SEAs and all three case study SEAs, thought differences existed. All respondents reported state schools are serving more severely handicapped children than LEA programs.

In comparison the SEAs, 12 of the larger 18 SAs and the two case study SAs thought differences existed between the state school and LEA programs. All SA respondents, including case study states, thought state schools are serving more severely handicapped children than are the LEAs. In addition, two of the larger SA respondents believed state schools are serving greater numbers of multi-handicapped children than LEAs.

STATE AND FEDERAL REGULATIONS' INFLUENCE ON PROGRAM DIFFERENCES

As a follow-up to the previous section relating to differences between state schools and Local Education Agencies, the State Education Agency and State

Agency respondents were asked whether state and Federal regulations have influenced or contributed to differences between the two programs.

A major finding was:

- Eight of the 15 State Education Agencies and 13 of the 20 State Agencies reported that Public Law 94-142 has increased awareness of handicapped services programs while Section 504 of the Rehabilitation Act of 1973 has made facilities more physically accessible.

Additional details to this area of inquiry follow.

Influence on Program Differences

As a follow-up to the previous section relating to differences between state schools and Local Education Agency Programs, the State Education Agency and State Agency respondents were asked whether state and Federal regulations have influenced or contributed to these differences between the two programs. Six of the 12 larger SEA respondents and two of the case study SEAs believed state and Federal regulations have had some influence. The respondents explained that Public Law 94-142 has increased awareness of handicapped services programs. Section 504 of the Vocational Rehabilitation Act of 1973 has made facilities more barrier free. Federal and state regulations have delineated the types of services to be provided by state schools and LEA programs, therefore, contributing to the differences. These same regulations have prompted state schools to provide increased quality services.

In comparison to the SEAs, 12 of the 18 larger State Agencies and one case study State Agency believed that state and Federal regulations have contributed to the differences that exist between state schools and LEA programs. The responses by the State Agencies were similar to those provided by the State Education Agencies.

CLIENT POPULATION CHARACTERISTICS

The State Agencies were asked a series of questions concerned with the characteristics of the client population being served by their programs. Because of the fact that State Education Agencies would be less likely than SAs to provide direct services to clients, the SEA respondents were not asked these same questions. The areas of inquiry investigated in the section on client population characteristics included the following:

- The definitions of severely handicapped.
- The percentage of the client population who are severely handicapped.
- Increases or decreases in numbers of severely handicapped clients.
- Changes in length of enrollment of the client population.

Major findings were:

- The 20 State Agencies reported using three different types of definitions for severely handicapped. These included definitions found in Federal regulations; definitions used by major professional groups; or the state's definition which required that the client be unable to perform certain functions or meet certain criteria.
- Fifteen of the 20 State Agencies estimated that 60 percent or more of their population served during the 1977-1978 school year was severely handicapped.
- Seventeen of the 20 State Agencies reported changes in the length of stay of clients in institutional settings. Nine of the seventeen reported clients are staying shorter periods of time; while the remainder reported clients are staying a longer period of time.

Additional details to each of these areas of inquiry are presented in the following sections.

Definition of Severely Handicapped

The State Agency respondents were asked to describe the definition used by their agency for the severely handicapped client population aged birth to 21.

The responses by the 18 larger SAs varied according to the different states. Five states were using the definitions found in Federal regulations such as P.L. 94-142, P.L. 93-380, P.L. 92-230, Title IV, Medicaid, and the Rehabilitation Act of 1973. Other states reported they were relying on the definitions used by major professional groups such as the American Association of Mental Deficiencies and the Group for the Advancement of Psychiatry. Another group of states reported they were using their own state's definition which required that the client be unable to perform certain functions or meet certain criteria before being considered severely handicapped. The following are examples of criteria from different state regulations:

- A developmental disability that originates before the age of 18 can be expected to continue and impair normal functions.
- A mental illness that causes the patient to endanger himself and also creates a situation where the patient is unable to care for himself.
- Must be mentally retarded or emotionally disturbed, based on a comprehensive diagnostic evaluation. The client must also be of school age.

The definitions used by the two case study State Agencies were similar to those employed by the 18 larger State Agencies.

Percentage of Client Population
Which is Severely Handicapped

The State Agency respondents were asked to provide an estimate of the percentage of clients aged birth to 21 served during the 1977-1978 school year who were severely handicapped. One of the 18 larger SA respondents and one of the two case study respondents were unable to provide any figures. The responses are illustrated in the following table.

TABLE 5-1.

Severely Handicapped Population	
Percent	Frequency of Responses
Less than 20	2
21 - 40	1
41 - 60	1
61 - 80	5
Greater than 80	9
Unknown	2

The single case study respondent providing an estimate was included among the five responses in the 61-80 percent group.

Increases or Decreases in Severely Handicapped Clients Served Since 1973

The State Agency respondents were asked whether there had been any increases or decreases in the number of severely handicapped clients aged birth to 21 being served by their agency since 1973. Six of the larger State Agencies reported increases in the number of the severely handicapped population served since 1973. Four other large State Agencies and one case study State Agency reported decreases. Five of the larger State Agencies reported no changes had occurred, while three other large State Agencies and one case study SA reported they did not know whether changes had occurred. Even though the majority of the respondents knew whether changes in the number of severely handicapped had occurred, they were not able to quantify the amount of change.

Changes in Length of Enrollment Of Client Population

The State Agency respondents were asked whether there had been any significant changes since 1973 in the length of stay in the program of their client

population aged birth to 21. Fifteen of the 18 larger SAs and one of the two case study SAs reported that there had been changes in the length of stay. As a second part to this question, respondents were asked to describe the type of changes that had occurred and to explain the reason for these changes. Nine respondents reported clients are staying in an institutional setting for shorter periods. Some respondents were able to provide examples of differences in the length of stay. One agency serving the mentally retarded reported the median length of stay is six months per client. The median for the younger clients is nine months; for the older clients it is four months. Another agency serving the emotionally disturbed reported the average length of stay per client has been shortened from two years to 210 days. A third agency serving the emotionally disturbed and developmentally disabled reported the average length of stay for the emotionally disturbed is three months, while the developmentally disabled stay an average of two to five years. In the past, these same clients used to stay indefinitely.

A number of reasons were given by respondents for clients staying a shorter length of time in institutional programs. In some cases there is a move toward deinstitutionalization of clients to a community setting. In addition, younger, less severely handicapped clients are being served by LEA programs. Institutional programs serve older clients who stay in the program a short time before being considered ineligible because of age. There is also an effort toward prevention and intervention, especially for clients in the early ages. This is coupled with more training programs for institutionalized adults to assist them to leave the institution.

In contrast to the respondents reporting a shorter length of stay, there were a total of six respondents from the larger states and one case study state who reported the clients served by their agencies were staying longer in an institutional setting. The respondents were evenly divided as to the reasons why clients are staying longer. They believed clients are staying longer because they are more severely handicapped or because the clients are entering the program at an earlier age.

CHAPTER 6

PROGRAM STANDARDS

This chapter presents the results of our analysis of the program standards used by the 15 State Education Agencies and 20 State Agencies included in this study. The responses have been reported separately for the 12 larger states and the three case study states.

Several areas of inquiry are reported in this chapter. Respondents were asked to describe the state standards used to assure that an appropriate education is being provided to their client population birth to 21 years of age. In the event a state did not have educational state standards, they were asked to describe any provisions which may have been established in lieu of state standards. Another area of inquiry involved a description of changes in state standards that may have occurred since 1973 and the impact these changes may have had on the availability of funds, administration of the program, staff responsibilities, and provider facilities.

STATE STANDARDS AND PROVISIONS

This section covers the state program standards used by the SEAs and SAs in the 15 states surveyed. In those cases where there were no established state standards, we have reported on provisions that had been developed for use in lieu of state standards.

Major findings were:

- Thirteen of the 15 SEAs had established state standards.
- In six of these agencies, the state standards surpassed Federal requirements.
- The two SEAs without established standards were in the process of developing them.
- Thirteen of the 20 SAs had standards and criteria that were consistent with those of the SEAs.

- Four of the seven SAs without established standards reported that such standards were being developed.

State Standards of Quality

The State Education Agency and State Agency respondents were asked to describe the state standards, including state regulations and administrative arrangements, that must be followed by their agency in order to assure that an appropriate education is being provided for their client population aged birth to 21.

Five of the 12 larger SEAs reported that their state regulations surpassed Federal requirements by limiting class size and the age range within class, by setting very specific student/teacher ratios, and by serving children with other handicapping conditions, such as the socially maladjusted or the gifted. Three other SEAs reported that their state regulations were parallel to P.L. 89-313 requirements. Other SEAs reported that their state regulations were parallel to Federal P.L. 94-142 regulations. Two other larger SEAs reported that their states did not have standards dealing specifically with P.L. 89-313 programs, although in one case the state board of education was in the process of developing such regulations. Each of the three case study SEAs reported having state standards in place.

Eleven of the 18 larger SAs, and both of the case study SAs have standards and criteria for assuring that handicapped children receive an appropriate education. Eight of the larger SAs use SEA regulations, or regulations patterned after SEA regulations. Others reported using SEA standards in concert with other regulations, such as Federal Title XIX, Intermediate Care Facilities regulations, Joint Committee on Accreditation of Hospital Standards, the State's Mental Health Code, or Federal P.L. 94-142 regulations.

Established Provisions Used In Lieu of State Standards

As a second part to the question on standards, the State Agency respondents without established state standards were asked to describe the provisions developed by their agency for assuring that an appropriate education is provided to handicapped children.

Only four of the seven SAs that do not have established state standards responded to this question. Two SAs from the same state reported that the state board of education was developing new rules that will make the SEA responsible for the education component for all SAs serving the handicapped. These rules were to serve as a basis for new state standards that would be adopted within a month of the visit by the P.L. 89-313 survey team. The other two SAs reported that they are in the process of developing appropriate regulations and standards.

CHANGES IN STATE STANDARDS AND THEIR IMPACT

This section is concerned with changes occurring in state standards since 1973 and the impact of these changes on availability of funds, program administration, staff responsibilities, and provider facilities.

Major findings were:

- Fourteen of the 15 SEAs reported changes in state standards since 1973.
- Thirteen SEAs reported that these changes had affected program administration.
- Nine SEAs reported that these changes had affected the availability of funds.
- Thirteen of the 20 SAs reported changes in state standards since 1973.
- Twelve of these 13 reported that these changes had affected staff responsibilities.

Changes Since 1973 In State Standards

The State Education Agency and State Agency respondents were asked whether major changes had occurred since 1973 in the development and promulgation of state standards.

All of the 12 larger SEAs reported that changes had occurred. Three reported that these changes had occurred in 1975 and included reformulating state laws to encompass special education programs, making minor revisions in existing state standards, or bringing state standards into compliance with the requirements of P.L. 94-142. Three other respondents reported that changes had been made in 1977 involving a clearer definition of terms, a change in the composition of advisory panels, and added emphasis on IEPs. Four other SEAs reported making changes prior to 1979 that involved either revising or completely rewriting state standards. Two SEAs reported that they would be developing and publishing state standards in 1979. Two of the three case study SEAs reported changes in their standards since 1973.

The SAs also were asked about changes in their state standards since 1973, but they were not asked in what year these changes occurred. Twelve of the SAs reported that changes had been made. Four indicated that they were using other standards in addition to state standards, such as those relating to intermediate care facilities, Federal Title XIX, and the Joint Council on Accreditation of Hospitals (JCAH). Others reported increasing their use of individual program plans; using standards developed by SEA; serving all eligible handicapped children from birth to 21 years of age; serving larger numbers of severely handicapped children; changing their state standards to coincide with the requirements of P.L. 94-142; and completely revising their state standards to meet the needs of the population they are serving.

The only case study SA reporting a change in state standards explained that the standards are now more detailed and that the SEA is more involved in implementing these standards.

Change of Standards Impact on the Availability of Funds

The State Education Agencies and State Agencies were asked whether the changes in state standards had impacted on the availability of funds. Nine of the 12 larger SEAs reported an impact on funding. Five reported that there are fewer funds available per child because of the increased services they now must provide. Others reported that their state budgets have been increased or that more funds are being diverted to LEAs.

None of the case study SEAs reported an impact on funding as a result of changes in state standards.

Six of the 18 larger SAs reported an impact on funding as a result of changes in state standards. Four of these reported that more state funds are available to implement added services.

The only case study SA reporting any impact on funding as a result of changes in state standards explained that funds are now being disbursed by the SEA, rather than by the SA, according to a voucher system.

Change of Standards Impact on Administration of the Program

The State Education Agency and State Agency respondents were asked whether the change in state standards had created an impact on the administration of the program. All 12 of the larger SEAs reported having experienced an impact. Six reported increased responsibilities, including additional monitoring, providing technical assistance, and evaluating cost effectiveness. Two reported that they now have their own division, parallel to other educational divisions within the SEA, responsible for special education programs. Others reported a larger administration and technical staff; new fiscal responsibilities for some programs handled at the local level; state consortiums of community schools

that are performing joint needs assessments; and developing service plans independent of the SEA.

The only case study SEA reporting an impact on administration resulting from changes in state standards explained they have increased their monitoring efforts and are using more comprehensive guideliness.

Only seven of the 18 larger SAs reported an impact on administration. Three of these reported that they had shifted a greater portion of responsibility for P.L. 89-313 programs to the SEA, including monitoring and funds disbursement. Other responses included using P.L. 89-313 funds only for cultural enrichment because of the cumbersome and costly regulations; shifting the focus of the program from custodial to educational functions; moving from supervising program operations to providing technical assistance; and moving administration of the program from a bureau to a program level. Neither of the case study SAs reported an impact.

Change of Standards Impact on Staff Responsibilities

The State Education Agency and State Agency respondents were asked whether the change in state standards had created an impact on staff responsibilities. Seven of the 12 larger SEAs reported an impact. Four of these reported providing more monitoring, training, and technical assistance. Others reported more demands on their staff to respond to crises, more public contact by staff in the process of explaining the rights of the handicapped, and the use of regional staff to monitor programs and to respond to the legal needs of the target population.

Eleven of the 18 larger SEAs reported experiencing an impact on staff responsibilities as a result of changes in state standards. Three reported performing more monitoring and providing more technical assistance. Others reported relying more on educational staff than on treatment staff, shifting the

responsibility of disbursing funds from the SEA staff to SA staff; eliminating some activities to make more time for such tasks as documenting child counts; and developing better working relationships with SEA staff. The only case study SA reported an impact on staff responsibilities.

Change of Standards Impact on Provider Facilities

The State Education Agencies were asked whether the change in state standards had created an impact on provider facilities. The State Agency respondents were not asked this question. Five of the 12 larger SEAs felt an impact on provider facilities had occurred. Two reported that their facilities were more barrier-free. Others believed local providers had greater responsibility for ensuring that facilities were up to standard, and that deinstitutionalization placed an added emphasis on use of LEA facilities.

CHAPTER 7

ALLOCATION OF RESOURCES

This chapter presents the results of financial allocation information as reported by the 15 State Education Agencies and 20 State Agencies included in this study. The responses have been reported separately for the 12 larger states and the three case study states.

The areas of inquiry reported in this chapter include a description of the changes in state allocations since 1973, a report on the changes in financing of Special Education that have occurred during the past five years, and a summary of the agencies' experiences with state legislatures regarding budget appropriations.

APPROPRIATIONS CHANGES

This section is concerned with changes funding needs in general, and special education funding in particular. It also covers the agencies' experiences with state legislatures regarding budget appropriations.

Major findings were:

- Thirteen of the 15 SEAs reported that there had been funding increases since 1973, in most cases either because they had increased their services and because of inflation.
- Thirteen of the 20 SAs reported funding increases. Eight of these respondents reported services had been increased. The other five reported higher costs due to inflation.
- Eleven of the 20 SAs reported changes in the financing of their agency's special education program during the past five years. In all but one instance these changes involved funding increases.
- Twelve of the 15 SEAs reported that action by the state legislature had affected their program operations. Five of these respondents reported that the legislature had increased their funds.

- Eleven of the 20 SAs reported having been affected by state legislative action, but the nature of these changes varied widely among the SAs.

Changes in State Allocations Since 1973

The State Education Agencies and State Agencies were asked whether any significant changes had occurred since 1973 in the amount of state funds required to meet the needs of their total client population aged birth to 21. Eleven of the 12 larger SEAs reported changes. As a second part to this question, the respondents were asked to provide specific references or illustrations. The 11 respondents all reported increases in funds because of increased requirements to provide more services and because of inflationary costs in the services being provided. Only two of the respondents were able to provide an estimate of the increase in funds. Both believed the funds had increased in 1978 by approximately 80% of their 1973 funding allocation.

Two of the case study SEAs reported a change in funding allocation since 1973. Both respondents believed funds had increased, but neither respondent was able to estimate the increase. When asked the same question, 13 of the 18 larger SAs reported changes in state allocations since 1973. All 13 reported increases in funds. The reasons provided for the increases were the need to provide more services because of state and Federal requirements, which prompted the need to increase staff. The respondents also reported the need to increase funds because of an increase in cost brought about by inflation.

The case study SA respondents did not report any changes in the allocation of funds since 1973.

Changes in Financing of Special Education for State Agencies

The State Agencies were asked whether there had been any changes in the financing of their agency's special education program during the past five years. This question was only asked of SA respondents.

Because some SAs are more treatment-oriented than education oriented, it was necessary to weigh their financial commitment to special education against their financial commitment to the overall program, which could include treatment and education. Nine of the 18 larger SAs reported changes in financing. Eight of these nine reported increases. The other respondent reported a decrease of approximately ten percent. Only three of the respondents were able to estimate the increase. These estimates ranged from increases of eight percent to 500 percent.

The two case study SAs reported minor changes in special education financing. Both respondents explained that most of the changes were in the funding procedure, rather than the amount of funds received. In both instances, the funds were being disbursed by the SEA rather than the SA.

Experiences With the State Legislature Regarding Budget Appropriations

The State Education Agency and State Agency respondents were asked to summarize their experiences with the state legislature since 1973 regarding budget appropriations for state-supported and state-operated schools.

Ten of the 12 larger SEAs reported having experienced some form of impact in program operations as a result of action taken by the state legislature. Five SEA respondents reported their state legislatures had voted to increase funding levels both to enlarge services in some components, such as pre-school and non-public schools, and to allow for smoother implementation of the P.L. 94-142 program. One of the five reported receiving additional funds to build two new state schools. The other four reported receiving additional funds to cover inflationary costs.

Responses from the remaining six SEAs reporting experiencing an impact from legislative action included new requirements to coordinate services with other SAs serving the handicapped, requirements to provide more documentation on

expenditures by state schools, and an increase in the number of LEAs serving the handicapped as a result of altering state regulations to allow public schools to develop special education programs.

Two of the case study SEAs reported experiencing some form of impact as a result of legislative action. One reported developing a new educational voucher system for the allocation of funds that allowed providers to receive funds based on the student's progress during the previous school year. Thus, ineffective providers will eventually lose all program funds. The other case study respondent reported an increase in state funds because of the legislature's distrust of Federal programs.

Nine of the 18 larger SAs reporting experiencing some form of impact as the result of action by the state legislature. These changes included a reduction in funds; special appropriations for pre-school and early intervention programs; special appropriations to increase the number of related services; more emphasis on documentation as funds become scarce, and cooperative agreements between the SEA and SAs regarding responsibility for the educational component and the development of state standards.

Both of the case study SAs reported that their funding levels had been increased.

PART III

PROVIDER ASSESSMENT

CHAPTER 8

INTRODUCTION

This section presents the results of our analysis of tabulations of the responses from the survey of providers. The preliminary tabulations presented response frequencies for questions that required respondents to select one or more categorized responses, as well as frequencies and totals for questions that required normative responses. Analysis of the tabulations indicated a requirement for cross-tabulations for some questions by type of facility. The results are often presented based on these categories.

Before reviewing the findings from the Provider Interview Guide and the Provider Data Package, the approach used in analyzing the responses should be reiterated. It must be emphasized that the study is exploratory, and that statistics should be considered descriptive of the sample rather than of the population parameters. Respondents were not selected to give a representative sample of the universe of state-operated and state-supported schools which receive P.L. 89-313 funds. The sample was selected to assure some coverage of varying special education programs for different handicapping conditions in alternative settings in the 15 sample states.

Results are presented for the four basic areas of interest corresponding to the primary objectives of the study:

- Program Characteristics;
- Administrative Procedures;
- Program Standards; and
- Program Financing.

Major emphasis is placed, however, on a detailed description of program characteristics and the use of P.L. 89-313 in implementing that program.

The findings are based on responses from the 72 providers who answered the Provider Interview Guide and completed the Provider Data Package. In some instances findings are based on less than all 72 sample sites due to inadequate response or non-response. The number of sites by residential status and primary handicapping condition served is presented in Table 8-1.

TABLE 8-1.

Number of Sites in Sample
by Residential Status and
Primary Handicapping Condition Served

CONDITION / STATUS	Mentally Retarded	Emotionally Disturbed	Other Handicap	Total
Residential	15	12	14	41
Non-Residential	11	11	9	31
Total	26	23	23	72

As shown, a residential program for the mentally retarded was included for each of the 15 sample states, for the emotionally disturbed in 12 states, and for other handicapping conditions in 14 states. Eleven states were represented for non-residential programs for the mentally retarded and emotionally disturbed, and non for "other" handicapping conditions. Variations reflect the fact that (1) non-residential programs were not supported by P.L. 89-313 funds for some handicapping conditions in the 12 sample states, and (2) only two programs (one residential and one non-residential) were selected without regard for the handicapping condition of those served from the three "case study" states.

Before preceding to the detailed presentation of findings from the site visits to state-operated and state-supported schools, some preliminary data concerning these facilities would be useful to the reader. This information is provided below.

As discussed in Chapter 2, Methodology, several of the "non-residential" programs included residential components. In addition, several of the residential programs included in the survey provided education services to some of their clients aged birth to 21 years who attend a "day program" only. Eight of the 31 non-residential programs in the sample included a residential program component. Twenty-one of the residential programs in the sample also provided "day program" education services to some of their clients.

One-half (36) of the responding sites reported that administrative control of the facility was maintained by the state. Thirty-two of the 41 residential programs in the sample, and four of the 31 non-residential programs, reported that they were state-operated. Four of the non-residential facilities provided services indirectly to children in local school districts through intermediate school districts, regional programs, or other types of itinerant programs. Thirteen of the state-supported facilities were private, non-profit agencies.

Forty-three of the sites primarily served a region within the states -- 19 of 41 residential programs and 24 of 31 non-residential programs. These catchment areas were usually multi-county programs. Twenty-one of the facilities included in the survey covered an entire state. Seven non-residential programs provided services to children in a local area; three of these limited services to children from one school district.

Sixty-three of the sites were currently licensed, endorsed, or accredited by one or more agencies or associations. Thirty reported that accreditation was provided by the State Education Agency. Fifteen reported that accreditation was provided by another State Agency. Twenty-six sites reported accreditation licensure by the JCAH, local health agencies, or other organizations.

CHAPTER 9

PROGRAM CHARACTERISTICS

This chapter presents findings about the education programs provided by state-operated and state-supported facilities included in the sample.

Findings are presented concerning:

- client characteristics;
- characteristics of the Special Education Program;
- personnel assignments in the Special Education Program;
- changes in the education program since 1973;
- comparison with local Special Education Programs.

CLIENT CHARACTERISTICS

Both the Provider Data Package and the Provider Interview Guide elicited information concerning the client population served by the education program at the 72 sites. Data were requested on client enrollment, handicapping conditions served, and the severity of primary handicapping conditions, as well as concomitant impairments.

Major findings were:

- The majority of handicapped children served in the total education programs were in categories classified as severely or profoundly retarded, deaf, visually handicapped, and seriously emotionally disturbed.
- Nearly all (97%) of total clients aged birth to 21 years residing in the residential facilities in the sample were enrolled in education programs.
- Fifty-six percent of all clients aged birth to 21 years were considered by respondents to be multi-handicapped.

- The proportion of severely or multi-handicapped children and youth to total children and youth served by the sample facilities was reported to have increased during the past three years.
- The primary reported concomitant impairment for all age categories was orthopedic impairment.
- Mental retardation was reported to be a frequent secondary impairment in residential programs for the emotionally disturbed, the deaf, and the visually handicapped.

Additional details concerning characteristics of clients in the sample facilities are presented below.

Client Enrollment

There were 9,242 clients aged birth to 21 years in residence at the 72 sample provider sites as of October 1, 1977. Of these, 208 were in residential components of non-residential programs. An additional 13, 708 clients aged 21 and over were reported to be residents in these same facilities on the same date. The majority (4,783) of those aged birth to 21 years in residential status were in programs for the mentally retarded.

The age categories for which clients are eligible to be served in the education programs at the sample sites are shown in Table 9-1. As indicated, all residential facilities in the sample (41) and most (26 of 31) non-residential facilities provide education services to those in the 6 - 17 year age category. Twenty-eight of the sites consider children aged birth to two years eligible for their education program, and 47 sites consider three to five year olds eligible. Very few programs for the emotionally disturbed reported that children younger than six are eligible. More non-residential facilities than residential programs considered the younger age categories eligible for their education program. In addition, many of the residential facilities provided education programs for the younger children (birth to five years) only on a day program basis. The non-residential programs were less likely to provide programs for those in the two older age categories. This is particularly true for the 18 - 21 year age

TABLE 9-1.

Age Categories of Clients Eligible to be Served in Education Programs at the Sample Facilities

PRIMARY HANDICAPPING CONDITION SERVED / ELIGIBLE AGE	Mentally Retarded No. of Sites	%	Emotionally Disturbed No. of Sites	%	Other Handicap No. of Sites	%	Total No. of Sites	%
Residential								
Birth - 2 years	6	40	1	8	5	36	12	29
3 - 5 years	8	53	3	25	12	86	23	56
6 - 17 years	15	100	12	100	14	100	41	100
18 - 21 years	15	100	9	75	12	86	36	88
Non-Residential								
Birth - 2 years	8	73	2	18	6	67	16	52
3 - 5 years	10	91	6	55	8	89	24	77
6 - 17 years	8	73	10	91	8	89	26	84
18 - 21 years	6	55	6	55	5	56	17	55

category; only 55 percent of the non-residential facilities reported that this age group was eligible for the education programs, compared to 88 percert of the residential facilities. Eleven residential programs and eight non-residential programs reported that persons 21 years or older were eligible for their education program. Twelve of these programs were in facilities providing services to the mentally retarded.

A total of 8,985 residential clients aged birth to 21 years were enrolled in education programs at the sample facilities -- about 97 percent of the total number of residents of those ages. The number of clients enrolled on a "day program" basis in both non-residential and residential facilities was 5,948. Residential facilities provided 1,217 children with education programs on a day program basis.[1] The average enrollment in all facilities in the sample was 213. The average in residential programs was 249, and the average for non-residential programs was 163.

Handicapping Conditions Served

The number of children served in these education programs by primary handicapping condition is presented in Table 9-2. As shown, more than 40 percent of children aged birth to 21 years in these programs were mentally retarded. About 22 percent were deaf or hard of hearing. Approximately 16 percent were classified as visually handicapped. Another 16 percent were classified as emotionally disturbed.

Approximately 56 percent of the total enrollment in these programs were clients with additional impairments for which respondents classified the children as multi-handicapped. The percentage of children and youth in these programs classified as multi-handicapped varied only slightly by age category, ranging from 62 percent for the children aged birth through two years to 54 percent for

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[1] Adequate data on enrollment were not available for two sites in the sample. Both were regional programs providing primarily indirect services to children. Records on the number of children served on a direct basis were not maintained by these agencies.

TABLE 9-2.

Children Served in Education Programs at Sample Facilities
by Primary Handicapping Condition

Handicapping Condition	Number	Percent
Mental Retardation	6012	40.3
Deaf	2938	19.7
Hard of Hearing	332	2.2
Speech Impaired	214	1.4
Visually Handicapped	2349	15.7
Emotionally Disturbed	2349	15.7
Orthopedically Impaired	477	3.2
Other Health Impaired	36	.2
Specific Learning Disabled	226	1.5
Total	14,933	100.0

Based on data from 70 sites.

the 18 - 21 year age group. The percent of clients considered multi-handicapped by age category was reported as follows:

Children Served by Primary Handicapping Condition

Age Category	Birth - 2	2 - 5	6 - 17	18 - 21
Percent Multi-Handicapped	62	59	57	54

The reported percentage of clients with multi-handicaps varied somewhat by primary handicapping condition and residential/non-residential status of the program. As an example, the reported rate by primary handicapping condition and residential/non-residential status of the facilities is provided for the age category 6 - 17 years in Table 9-3. Similar patterns were exhibited for the other age categories. More than 75 percent of children and youth in residential programs for the mentally retarded were classified as multi-handicapped. Nearly 70 percent of children and youth in non-residential programs for the emotionally disturbed were reported to have additional concomitant impairment(s).

TABLE 9-3.

Percent of Multi-Handicapped Clients
Aged 6 - 17 Years by
Primary Handicapping Condition and
Residential/Non-residential Status

PRIMARY HANDICAP / STATUS	Mentally Retarded	Emotionally Disturbed	Other Handicap
Residential	76	43	53
Non-Residential	49	68	44

The primary concomitant impairment for all age categories was reported to be orthopedic impairment. Approximately 50 percent of respondents reported that these impairments were among the most frequent at their facilities. However, developmental, vision, hearing, and speech impairments, as well as emotional problems were also each mentioned by approximately 30 percent of all respondents. Table 9-4 presents the number and percent of programs in the sample that reported each of several concomitant impairments that appear frequently for their clients in the four age categories.

TABLE 9-4.

Reported Concomitant Impairments of Clients in Education Programs by Age Category

AGE CATEGORY / CONCOMITANT IMPAIRMENT	Birth - 2 Years		3 - 5 Years		6 - 17 Years		18 - 21 Years	
	No. of Programs	%	No. of Programs	%	No. of Programs	%	No. of Programs	%
Mental Retardation	8	29	17	36	23	34	20	38
Emotionally Disturbed	8	29	11	23	23	34	17	32
Hearing Impaired	9	32	15	32	24	36	19	36
Vision Impaired	7	25	13	28	20	30	16	31
Orthopedically Impaired	15	54	21	45	28	42	25	47
Speech Impaired	8	29	14	30	15	22	14	26
Other Health Impaired	4	14	6	13	5	7	6	11
Number of Programs	28	100	47	100	67	100	53	100

There were differences reported for concomitant impairments by primary handicapping condition and residential/non-residential status. Mental retardation was reported as a frequent secondary impairment by over 40 percent of all residential programs for emotionally disturbed children and youth aged six to 17. No non-residential programs for the emotionally disturbed aged six to 17 reported mental retardation as a frequent concomitant impairment. Approximately 60 percent of programs for other handicapping conditions, both residential and non-residential, reported mental retardation as a frequent concomitant impairment. Eighty percent of residential and fifty percent of non-residential programs for the mentally retarded reported orthopedic problems as a frequent concomitant impairment. Orthopedic problems were reported as frequent concomitant impairments for fewer than 30 percent of all programs for the emotionally disturbed in the sample. Visual (73 percent) and hearing (60 percent) impairments were also reported as frequent concomitant impairments by residential programs for the mentally retarded. These impairments were reported as frequent concomitant impairments for fewer than 25 percent of programs for the emotionally disturbed.

Programs for the mentally retarded -- particularly residential programs -- reported that a large proportion of their clients had one or several concomitant impairments. Programs for other primary handicapping conditions also reported that many of their clients, aged birth to 21 years, were multi-handicapped. However, they were somewhat less likely to report several concomitant impairments.

SPECIAL EDUCATION PROGRAM CHARACTERISTICS

Detailed data were collected from state-operated and state-supported schools on their special education program. Information was obtained during site visits concerning scheduling of the ecucation program, availability of summer programs, instructional programs provided, curricula covered, number of hours of basic instruction provided, and the extent of related services provided to children and youth aged birth to 21 years. Also covered was the use of individualized education programs (IEPs) by these facilities in planning and implementing education programs for pupils.

Major findings were:

- Approximately forty-five percent of the facilities scheduled their basic instructional program for a longer time period than prescribed by state standards.
- Nearly eighty-five percent of all residential and non-residential schools in the sample operate a summer program.
- The facilities almost universally provided instruction not only in academic and/or pre-academic subjects but also in vocational/prevocational programs and in development of life support skills.
- Individualized instruction was perceived as an essential element in the improvement of educational opportunities for handicapped children served at the sample facilities.
- Most of the programs provided a broad array of related services as part of their overall education program.

Additional details concerning the special education programs run by the state-operated and state-supported schools in the sample are presented below.

Basic Instructional Program Schedule

Almost without exception, the basic instructional program was scheduled for at least as many days per year as was required for school districts. In fact, nearly half of the basic instructional programs in the sample of schools were longer than prescribed by state standards. The number of days per year in which the basic instructional program was scheduled in the sample facilities is shown in Table 9-5. Information is provided by age category for programs scheduled fewer than 175 days per year, 175 - 190 days per year (the approximate range for state standards), and for more than 190 days per year. As shown, with the exception of the age category birth to two years, less than five percent of the programs were scheduled for less than 175 days per year. Education programs for children and youth aged three to 21 were scheduled for more than 190 days per year in over 40 percent of the facilities; most of these were scheduled for more than 220 days per year.

Sixty-one of the facilities reported that they operate a summer education program for their clients. All facilities for the mentally retarded reported that

TABLE 9-5.

Number of Days Per Year of
Scheduled Basic Instruction

DAYS PER YEAR / AGE CATEGORY	Less Than 175		175 to 190		More Than 190		Total Number of Programs
	No. of Programs	%	No. of Programs	%	No. of Programs	%	
Birth - 2	7	25	5	18	16	57	28
3 - 5	1	2	26	55	20	43	47
6 - 17	1	2	34	51	28	42	67
18 - 21	3	6	26	49	20	38	53

they had a summer program. The facilities in the sample reported that 8,427 pupils participated in the summer education program -- nearly 60 percent of pupils served in the regular education program.

The number of hours of basic instruction closely parallels requirements for school districts in the states. The number of hours per day of basic instruction provided to students by age category is shown in Table 9-6. Programs with fewer than five hours of basic instruction per day for children older than five years are almost entirely for pupils with mental retardation as the primary handicapping condition. As shown in Table 9-6, approximately 80 percent of all programs for children and youth older than five, last at least five hours per day. Nearly sixty percent of programs for children from three to five years old last five hours per day or longer.

TABLE 9-6.

Scheduled Hours Per Day
of Basic Instruction

HOURS PER DAY / AGE CATEGORY	Less Than 3		3 - 4		5 - 6		Over 6		Number of Programs
	No.of Programs	%	No.of Programs	%	No. of Programs	%	No.of Programs	%	
Birth - 2	15	54	5	18	8	29	-	-	28
3 - 5 Years	2	4	17	36	24	51	4	9	47
6 - 17 Years	3	4	11	16	48	72	5	7	67
18 - 21 Years	4	8	6	11	36	68	7	13	53

Services Provided

The majority of all programs provided instruction in academic subjects, basic life support skills, pre-vocational and vocational subjects, and physical education. Table 9-7 presents the number of facilities providing instruction in each of these subject areas and the number of pupils aged birth to 21 years who received such instruction during the 1977-1978 school year. Seventy-one percent of all children and youth enrolled in the education program at these sample facilities received instruction in academic subjects; forty-one percent received instruction in pre-vocational or vocational subjects. Seventy-five percent received instruction in basic life support skills, and more than 90 percent in physical education.

The curricula covered in the education programs varied somewhat by age group. Generally, for the early age categories (birth to five years), the curricula emphasized developmental skills, socialization, development of basic cognitive skills, and enrichment. Programs for children in the three to five year age category also emphasized standard pre-school curriculum, reading readiness, library skills, etc. Curricula for the six through 17 year category included basic academic, pre-academic, pre-vocational, and vocational training, training

TABLE 9-7.

Types of Instruction
Provided by Education Programs*

Type	Program		Pupils	
	No.	%	No.	%
Academic	66	94	10,644	71
Vocational	62	89	6,127	41
Life Support Skills	69	99	11,140	75
Physical Education	65	93	13,649	91

*Based on 70 Facilities

for independent living, etc. Emphasis for the 18 to 21 year category centers on development of vocational skills and independent living skills and on adult basic education programs.

Additional details on curricula covered by education programs at the sample facilities is provided in Table 9-8. The number of programs that reported providing alternative curricula is given by age category. Academic and vocational programs begin when students are in the six to 17 year group. In fact, many of the vocational programs do not begin until the children reach the age of 14 to 17. Developmental and self-help curricula are evident for all age categories. More detailed review of the data indicated that for the most part, these curricula are included primarily in programs for the mentally retarded or children with other primary handicapping conditions who have mental retardation as a concomitant impairment. Handicap-specific curricula (mobility training, communication skills, etc.) are concentrated in programs for the visually or hearing impaired.

TABLE 9-8.

Curricula Provided in Education Programs
by Age Category of Clients

AGE CATEGORY / CURRICULA	Birth - 2 Years		3 - 5 Years		6 - 17 Years		18 - 21 Years	
	No.	%	No.	%	No.	%	No.	%
Developmental	7	25	31	66	24	36	17	32
Self Help	10	36	24	51	22	33	18	34
Handicap Specific	13	46	24	51	30	45	24	45
Therapy	4	14	5	11	9	13	6	11
Socialization	8	29	16	34	17	25	14	26
Cognitive	9	32	20	43	13	19	10	19
Academic	-	-	5	11	45	67	33	62
Vocational	-	-	-	-	33	49	34	64
Independent Living	-	-	-	-	14	64	13	25
Adult Basic Education	-	-	-	-	1	2	2	4
Physical Education	-	-	-	-	14	21	10	19
Enrichment	2	7	-	-	6	9	3	6
Number of Programs	28	100	47	100	67	100	53	100

Most of the programs provide a fairly full array of related services as part of their overall education program. Table 9-9 presents the number and percentage of programs providing specific related services for children and youth by age category. As shown, the percentage providing specific services is fairly similar for children and youth in the three to five year old and for those from six to 17 years old. Related services for children less than three years old and older than 17 years are provided on a less frequent basis at the sample facilities.

Instructional Problems

Respondents were asked to describe any special instructional problems related to age, handicapping condition, or other characteristics of the pupils. Most frequently mentioned were limitations due to multi-handicaps, physical disabilities, and communication problems. These accounted for more than 50 percent of all responses in the early age categories. Maladaptive behavior was mentioned frequently (38 percent) for the age category six to 17. Limitations in availability of age-specific or handicap-specific materials were mentioned by approximately 25 percent of respondents.

Individualized Education Programs

Sixty-seven facilities reported that they developed individualized education programs (IEPs) for each child or youth in their education program. Two facilities indicated that the institutions from which the child came developed the IEP, and they implemented the recommended programs. Two facilities indicated that a comprehensive service plan is developed, but it is not an IEP as such. One facility indicated that a local school district develops the IEPs, and the facility cooperates in implementing the recommended programs.

Thirty-five programs indicated that standardized assessment procedures were used to assess educational performance and determine educational needs. Standardized procedures included use of such tools as the Portage, Leiter, Stanford/Benet, Wexler, Koontz, AAMD, Behavioral Characteristics Progression, etc.

TABLE 9-9.

Related Services Provided in Education Programs
by Age Category of Clients

AGE CATEGORY / RELATED SERVICES	0-2 Years		3-5 Years		6-17 Years		18-21 Years	
	No. of Programs	%	No. of Programs	%	No. of Programs	%	No. of Programs	%
Transportation	2	7	32	68	47	70	17	32
Speech Pathology	7	25	44	94	62	93	21	40
Audiology	7	25	39	83	57	85	21	40
Physical/Occupational Therapy	8	28	32	68	47	70	18	34
Psychological Services	8	28	45	96	66	99	22	42
Early Identification and Assessment	8	28	40	85	50	75	21	40
Recreation	4	14	36	77	63	94	21	40
Child Counseling	1	4	32	68	60	90	21	40
Medical Services	7	25	34	72	56	84	19	36
Social Work Services	7	25	36	77	58	87	20	38
Parent Counseling and/or Training	8	28	43	91	62	93	21	40
School Health Services	6	21	34	72	54	81	19	36
Number of Programs	28	100	47	100	67	100	53	100

Twenty-six of the facilities indicated that they used locally developed instruments or instruments developed at the state level. Eighteen of the facilities reported that they relied on recommendations of specialists, such as psychologists, occupational therapists, counselors, etc. Only five reported that they secured data from daily, monthly, or quarterly assessments of predetermined objectives as part of the procedure to determine or revise educational needs.

Fifty facilities reported that educational goals are set as part of the IEP process by concensus of interdisciplinary teams of specialists in concert with the current teacher. Twelve facilities reported that goals and objectives are included in each client's file and monitored on a centralized basis.

Thrity-four facilities reported that a child's success in meeting educational goals and objectives was evaluated primarily by teachers. Thirty-seven facilities indicated that evaluations were made at periodic meetings of a team of specialists. These meetings were held annually in 14 facilities, every three to six months in another 14 facilities, and more frequently than quarterly in nine facilities. Only three facilities indicated that the evaluation process included a parent conference.

PERSONNEL

Detailed data were collected at the sample facilities about personnel assignments in their education program. Data were collected on a number of staff members and total hours of staff time per week for the instructional staff, related services staff, and the administrative staff.

The major findings concerning personnel assignments to education programs at the sample facilities were:

- Approximately 95 percent of all teachers in the education programs at the facility were certified. An increasing proportion are being certified in special education or a special education specialty.
- Facilities in the sample rely heavily on paraprofessional aides to assist teachers in the provision of the instructional programs.

- The overall pupil/teacher ratio was calculated at 8.7:1.
- The overall pupil/instructional staff ratio was calculated at 4.9:1.
- A pupil/related-services staff ratio of about 12:1 was reported by the 72 state-operated and state-supported schools in the sample.

Instructional Staff

Table 9-10 presents the reported number of staff members and staff hours per week for instructional staff. Data are presented for certified teachers, non-certified teachers, paraprofessional (teacher) aides, and other instructional personnel including instructional supervisory staff, education counselors, recreation therapists, substitute teachers, student workers, etc. The facilities reported a total of 3,612 instructional personnel. These personnel provided basic instructional services to 14,933 children and youth aged birth to 21, and 2,593 adults 21 years and older.

As shown in Table 9-10, all instructional staff worked an average of 32 hours in a typical week at the sample facilities. Teachers and aides reportedly worked an average of about 34 hours per week at the facilities. Other instructional personnel worked about 22 hours in a typical week. In most facilities, positions were on a year-round basis. Most facilities included summer programs that used instructional staff.

Student/instructional staff ratios are presented in Table 9-11. They were calculated using the following enrollment data:

Type of Program	Residential			Non-Residential		
	MR	ED	Other	MR	ED	Other
Number of Pupils	7079	1357	4085	880	1774	2341

Based on Data From 70 Facilities.

TABLE 9-10.

Number of Members and Average Hours Per Week for Instructional Staff at the Sample Education Programs

Category	Number of Staff Members	Average Hours Per Week
Certified Teachers	1,902	33.5
Non-Certified Teachers	111	34.2
Paraprofessional Aide	1,037	34.4
Other Instructional Personnel	562	21.9
Total	3,612	32.0

TABLE 9-11.

Student/Instructional Staff Ratios

PERSONNEL CATEGORY / STATUS	No. of Teachers	Student/ Teacher Ratios	No. of Aides	Student/ Aide Ratios	No. of Other Instructional Staff	Student/ Other Instructional Staff Ratios	Total No. of Instructional Staff	Total Student/ Instructional Staff Ratios
Residential								
Mental Retardation	548	12.9	534	13.6	357	19.8	1,439	4.9
Emotionally Disturbed	281	4.8	58	23.4	25	54.3	364	3.7
Other	805	5.1	165	24.8	28	145.9	998	4.1
Subtotal	1,634	7.7	757	16.5	410	30.5	2,801	4.5
Non-Residential								
Mental Retardation	89	9.9	96	9.2	52	16.9	237	3.7
Emotionally Disturbed	96	18.5	45	39.4	80	22.2	221	8.0
Other	194	12.1	139	16.8	20	117.1	353	6.6
Subtotal	379	13.2	280	17.8	152	32.9	811	6.2
Total	2,013	8.7	1,037	16.9	562	31.2	3,612	4.9

Based on data from 70 facilities.

Residential programs for the mentally retarded include 2,593 adults, 21 years of age or older, who were reported as participating in the education program.

The overall pupil/instructional staff ratio was calculated at 4.9:1. The ratio of pupils to certified and non-certified teachers was 8.7:1. There were, as shown in Table 9-11, some differences in student/instructional staff ratios, residential/non-residential status, and primary handicapping condition of clients served. Residential programs generally had a greater number of teachers per pupil than non-residential programs. However, in programs for the mentally retarded, the opposite was reported. Paraprofessional aides were used more frequently for programs for the mentally retarded than for programs that provided services to children and youth with other handicapping conditions. Variations were also noted for "other" instructional staff. The student/total instructional staff ratio, however, did not vary much by type of program. The one exception, non-residential programs for the emotionally disturbed, had a student staff ratio over twice that of other programs.

Related-Services Staff

Data from the facilities in the sample also provided evidence that the education programs incorporated significant related services. Table 9-12 presents the number of personnel and the average staff hours worked in a typical week by several personnel categories. A total of 1,720 staff provided related-services to clients at the sample facilities. These staff members worked an average of 25.8 hours a week. Speech pathologists and health services staff worked an average of 30-35 hours per week. Other related-service staff worked about 20-25 hours per week.

Data were also collected on administrative staff related to the education program. A total of 437 supervisory and 475 clerical staff were reported for the education programs. These personnel reportedly worked a total of 22,804 hours in a typical week; an average of 25 hours per week.

TABLE 9-12.

Number of Members and Average Hours
Per Week for Related Services Staff at
the Sample Education Programs

Personnel Category	Number	Per Week Average
Psychiatrist	36	21.8
Psychologist	138	22.5
Speech Pathologist	116	33.3
Audiologist	28	22.9
Physical Therapist	60	22.2
Guidance Counseling Staff	85	23.7
Health Service	342	34.4
Social Worker	147	21.9
Paraprofessional Aide	484	18.2
Other Related Service Staff	284	31.1
Total	1,720	25.8

Based on Data From 70 Facilities

Resource Adequacy

Forty-three respondents indicated that their facility had adequate financial resources and staff to meet the basic educational needs of children and youth enrolled in their education program during the 1977-1978 school year. However, 29 reported that their facility did not have adequate financial resources and staff. Twenty respondents indicated the need for additional staff. Twelve reported the need for additional related or supplemental services. Four reported the need for improved facilities.

CHANGES IN EDUCATION PROGRAM SINCE 1973

A portion of the Provider Interview Guide was designed to elicit information concerning changes in the education program at the sample state-operated and state-supported schools.

Primary changes noted for the five year period were as follows:

- A majority of the schools reported that policy had changed during the five year period toward enrollment of children and youth with more severe handicapping conditions and/or enrollment of younger and/or older children and youth.
- More than 90 percent of the sample programs reported that instructional and/or related services provided by the special education program had changed since 1973. Major changes were revised curricula, increased emphasis on individualized programming, and increased use of occupational and speech therapy.
- Education program staff had been significantly upgraded in the majority of the facilities visited during the five year period.

Enrollment and Transfer Policy

Thirty-one facilities indicated that their enrollment policy had changed during the five years since 1973. The remaining facilities reported that no major changes in enrollment policy had occurred during that time period.

Twenty-two facilities indicated that there had been changes in enrollment policies concerning ages served. Eight indicated that their policy was now to serve younger children; 11 indicated serving older children and youth. Three reported that their policy now included serving younger children and older children and youth.

Fifteen facilities indicated that their policy had changed concerning enrollment of children with other handicapping conditions. Of these, 12 reported that their policy now permitted admissions of children with more complex concomitant impairments. Twenty-two facilities reported that policies had changed during the past five years to allow admission of children and youth with more severe handicapping conditions. Two facilities reported that their policy had shifted toward admitting children and youth with less severe impairments.

Services Provided

Sixty-four of the sample facilities reported that instructional and/or related services provided in the special education program had changed since 1973. Fifty reported changes in instructional programs. Fifty-two reported changes in related services provided to children and youth in the education program.

Thirty-two facilities reported changes in curricula, including emphasis on developmental curricula and/or prevocational/vocational instruction. Seven reported more extensive use of educational diagnosis in developing instruction programs for pupils. Five reported adjustments to assure adequate instruction for children with more severe handicapping conditions (deaf/blind, multi-handicapped, etc.).

Respondents at 40 facilities reported that new categories of related services had been added to the education program during the five year period. Therapy services were often reported to have been initiated during the five year period - particularly speech and occupational therapy. Specialized medical, audiological, and psychological services were also frequently mentioned. However, only nine facilities volunteered that additional specialized staff had been hired during the same period.

Staff

Sixty respondents reported that the composition of the education program staff had changed during the five year period since 1973. Fifty-four reported significant changes in the number of staff in the education program. Thirty-one reported an increase in the number of teachers; five reported a decrease in the number of teachers. Eighteen reported an increase in the number of aides and/or classroom support staff; only one reported a decrease. Twenty-five reported an increase in the number of education or related services specialists; only one reported a decrease in such specialists. Four reported an increase in the number of supervisors in the education program.

Forty-five respondents reported that the education program staff had upgraded their qualifications during the five year period. Of these, 22 reported that the number of certified teachers, particularly for special education, had increased during that time period. Eleven reported that staff had undertaken specialized training to prepare them for their assignments. Ten reported that the number of staff with college or advanced degrees had increased since 1973.

In a separate question, respondents were asked whether certification requirements for the staff had changed during the five year period. Thirty-nine reported that certification requirements had changed. Of these, 20 reported new requirements for state teacher certification. Nine reported new state requirements for special education certification. Twelve reported requirements for specialized certification in specific aspects of special education.

LOCAL SPECIAL EDUCATION PROGRAMS

The Provider Instruction Guide also included questions designed to obtain comparisons of the education program provided by the facility with special education programs provided by the local school district.

Major findings were:

- State-operated and state-supported schools serve a more severely handicapped and multi-handicapped population than do the local school districts.
- Sixty percent of the respondents reported that their facilities provide a broader range of related services than do local school districts.

Details on differences in clients served by the program, as well as the programs provided, are presented below.

Clients Served

Forty-one respondents reported that their facility's education program was directed towards a more severely handicapped population than that served by the local school district. Eight reported that unlike their local school district counterparts, their programs were designed to meet the education needs of those with a specific handicapping condition, such as a visual or hearing impairment. Sixteen respondents reported that their program served children younger than those served by the local school district. Fourteen reported serving children and youth older than those served by the local school district.

Services Provided

Sixty-four respondents reported that the special education program offered by their facility differed somewhat from the special education program offered by the local school district.

Seventeen respondents reported that their curricula emphasized specific needs for specific handicapping conditions, rather than a more generalized special education curriculum. Respondents also indicated that the state-operated or state-supported facilities were more likely than local school districts to emphasize basic skills (six facilities), developmental curriculum (six facilities), or daily living skills (seven facilities). Five respondents

indicated that the local school district emphasized academic curricula to a greater extent than did their facility.

Forty-three respondents reported that their facility provided a much broader range of related services for handicapped children and youth than did the local school district. Only three facilities reported that the local school district provided a wider range of related services.

CHAPTER 10

PUBLIC LAW 89-313 PROGRAM CHARACTERISTICS

The findings presented in this section relate to the P.L. 89-313 program. A portion of both the Provider Data Package and the Provider Interview Guide were designed to elicit information from the 72 sample facilities on the types of programs supported by P.L. 89-313 funds, the number of children and youth served, primary handicapping condition of the children and youth served by the project, the procedures used to develop and implement P.L. 89-313 projects, project evaluation, technical assistance, monitoring and audit procedures, and previous impact of the program.

CLIENTS SERVED

Data were collected concerning the P.L. 89-313 projects at the state-operated and state-supported schools. Major findings were:

- During the 1977-1978 school year, nearly 90 percent of all children and youth aged birth to 21 years enrolled in the education programs were receiving instructional programs funded under P.L. 89-313 grants.
- During the 1977-1978 school year, nearly 70 percent of clients aged birth to 21 received related services supported by P.L. 89-313 funds.
- Nearly 80 percent of pupils in the sample sites received instruction in academic subjects supported by the P.L. 89-313 project; about 40 percent received vocational instruction using P.L. 89-313 funds.
- Approximately 25 percent of total instructional staff time was allocated to P.L. 89-313 activities at the state-operated and state-supported schools.

Number Served

Ninety-eight percent of all children and youth enrolled in education programs in facilities included in the survey received instruction and/or related services funded by a P.L. 89-313 grant during the 1977-1978 school year. The number served by the P.L. 89-313 grant by age category was reported as follows:

TABLE 10-1.

Number of Clients Served By P.L. 89-313 Program

Age Category	Birth - 2	3 - 5	6 - 17	18 - 21	Total
Number Served	313	971	9869	3536	14671

Based on data from 70 facilities.

The number of clients who received instruction and/or related services funded by P.L. 89-313 grants during the 1977-1978 school year are shown in Table 10-2. Data are presented by primary handicapping condition. As shown, facilities reported that eighty-six percent of clients were receiving instructional services funded under P.L. 89-313 grants. Sixty-five percent of the students enrolled in education programs at these facilities were receiving related services funded by P.L. 89-313 grants.

It is interesting to note that P.L. 89-313 grants for the mentally retarded and emotionally disturbed were focused more extensively on providing instructional services than were grants for other handicapping conditions. Only about 50 percent of clients with these primary handicapping conditions received related services funded by P.L. 89-313 grants during the 1977-1978 school year. A much higher percentage of clients with visual, hearing, or orthopedic impairments received related services funded by P.L. 89-313 grants.

Services Provided

Respondents reported that 11,688 (78 percent) of their pupils received pre-academic and/or academic instruction supported by the P.L. 89-313 project. About 40 percent of the pupils (5,984) were reported to have received prevocational and/or vocational instruction supported by P.L. 89-313 funds. Thirty-two percent of pupils in the sample facilities received physical education instruction supported by P.L. 89-313 funds.

TABLE 10-2.

Number and Percent of Clients by Primary Handicapping Condition
Who Received Instruction and Related Services
Funded by P.L. 89-313

Handicapping Condition	Total Enrollment	Number Served by P.L. 89-313 Grant			
		Instructional Services		Related Services	
		No. of Clients	% Total Enrollment	No. of Clients	% Total Enrollment
Mantally Retarded	6,012	5,299	88	3,173	53
Deaf	2,938	2,265	77	2,188	74
Hard of Hearing	332	286	86	322	97
Speech Impaired	214	150	70	150	70
Visually Handicapped	2,349	1,920	82	2,100	89
Emotionally Disturbed	2,349	2,349	100	1,213	52
Orthopedically Impaired	477	303	64	418	88
Other Health Impaired	26	20	56	10	28
Specific Learning Disabled	226	195	86	165	73
Total	14,933	12,787	86	9,739	65

Based on Data From 70 Facilities

In addition, approximately 70 percent of the facilities reported using P.L. 89-313 funds to expand or improve related services provided at the sample sites. Related services supported by P.L. 89-313 grants were presented in Table 10-3.

Forty percent reported P.L. 89-313 funds were used for speech pathology services, 25 percent for audiology services. It should be noted that speech and audiology services were funded by P.L. 89-313 as frequently in programs for the mentally retarded and emotionally disturbed as in programs for the hearing impaired.

As shown in Table 10-3, P.L. 89-313 funds support a broad range of other related services, particularly in the areas of physical and occupational therapy, child counseling, psychological services, early identification and assessment, and recreation. Each of these services was supported by P.L. 89-313 in 25 to 35 percent of the facilities in the sample. Less than 20 percent of the facilities reported using P.L. 89-313 funds for transportation, medical, or school health services.

Twenty-four facilities reported the P.L. 89-313 funds were being used to implement or support parent involvement services. Five additional facilities reported that these funds were being used to support behavior management training for parents. Fourteen facilities reported that P.L. 89-313 funds were being used to pay salaries of counselors who provide direct service to parents of pupils in the education program.

Forty-seven respondents reported that P.L. 89-313 funds were used to support pre-service and/or in-service training activities for some of their staff. Thirty-two of the P.L. 89-313 projects supported in-service training programs. Ten provided funds for staff to attend professional conferences. Eight provided supplementary support for pre-service or in-service training programs. P.L. 89-313 funds were used by two facilities to defray the expenses of the teaching staff enrolled in college level programs or courses.

TABLE 10-3.

Number and Percent of Facilities Reporting
Related Services by Type of Service
Supported by P.L. 89-313 Funds

RELATED SERVICES / SUPPORTED BY P.L. 89-313	Number of Facilities	Percent of Facilities
School Health Services	6	8
Medical Services	10	14
Social Work Services	13	18
Transportation	13	18
Physical/Occupational Therapy	17	24
Psychological Services	17	24
Audiology	18	25
Early Identification/Assessment	24	33
Recreation	24	33
Child Counseling	25	35
Speech Pathology	29	40
Parent Counseling/Training	34	47

Twenty-one of the facilities reported that the pre-service or in-service training was conducted only once during the year. Five reported that the program was conducted monthly, and eight reported that the program was conducted weekly. Thirteen of the 21 annual programs lasted two to five days. The monthly training programs generally lasted one day. The weekly programs generally lasted one hour. The pre-service and in-service training activities supported by P.L. 89-313 were directed primarily toward teachers. Teachers received this training in 41 of the facilities in the sample. Aides received pre-service and/or in-service training supported by P.L. 89-313 at 22 facilities, counselors at 16 facilities.

Staff Utilization

The total number of staff hours and the number allocated to the P.L. 89-313 program in the sample facilities is shown in Table 10-4. Approximately 26 percent of the total instructional staff time was reportedly allocated to P.L. 89-313 activities at the sample facilities. In addition, about 16 percent of related services staff were allocated to P.L.89-313 projects at the sample facilities during a typical week.

Although the number of hours of staff time allocated to P.L. 89-313 does not correspond directly to the use of program funds, there is a close relationship. In most of the facilities, allocation was based on the proportion of funds provided by P.L. 89-313 and other sources. The data would suggest that P.L. 89-313 funds are used primarily for direct instructional services. Seventy-seven percent of total hours allocated to P.L. 89-313 project activities are for instructional staff. Seventeen percent of total allocated hours were for related-service staff, and 6 percent for administrative staff.

ADMINISTRATIVE PROCEDURES

Procedures used to develop and implement P.L. 89-313 projects, to monitor their progress, and assess their results are of considerable interest to the Bureau of Education for the Handicapped. Thus, a portion of the Provider Interview Guide was directed toward these areas of inquiry.

TABLE 10-4.

Allocation of Education Program Staff
for P.L. 89-313 Project Activities

Personnel Categories	Total Staff Hours Per Week	No. of Hours Allocated to 89-313	Percent of Total
Instructional Staff			
Certified Teacher	63,672	12,179	19.1
Non-Certified Teacher	3,795	1,635	43.1
Paraprofessional Aide	35,639	12,413	34.8
Other Instruction	12,325	4,147	33.6
Related Service Staff			
Psychiatrist	785	79	10.1
Psychologist	3,863	1,264	32.7
Speech Pathologist	640	72	11.3
Audiologist	1,329	290	21.8
Guidance Counselor	2,015	470	23.3
Health Service	11,754	745	6.3
Social Worker	3,224	505	15.7
Aide	8,514	313	3.7
Other Related Service	8,827	2,811	31.8
Administrative Staff			
Supervisor	10,337	1,542	14.9
Clerical	12,465	960	7.7

Major findings were as follows:

- Project development was based on assessment of needs by the instructional staff at forty-six facilities.
- Forty-five (63 percent) of the education programs reported that program and financial audits of the P.L. 89-313 projects had been conducted by State Agencies during the past two years.
- Project evaluations had been conducted by State Agencies at over 60 percent of the P.L. 89-313 projects during the preceeding year. Most of these evaluations, however, were cursory.

Additional details concerning State Agency administrative procedures as observed by the state-operated and state-supported schools in the sample are presented below.

Project Development

Forty-six facilities reported that the primary criterion used to develop their annual P.L. 89-313 project was the perceived needs of pupils in their education program. Procedures for assessing needs, however, varied somewhat among these facilities. Thirteen facilities reported that administrative and program staff made joint decisions based on a staff assessment of primary needs. Nine facilities reported that the education program director, superintendent, or P.L. 89-313 program coordinator made the decision based on an assessment of priority needs. Seven facilities reported that needs assessment was based on review of the Individualized Education Programs. Six volunteered that the assessment was limited to evaluating supplemental needs. Twenty-six facilities indicated that the P.L. 89-313 project was based almost solely on continuation of the current year's program or continuation of specific expenditures, such as salaries of personnel.

Twenty-six facilities indicated that they experienced difficulties in carrying out their 1977-1978 school year project as originally planned. Major problems were related to staffing and/or administrative complications.

Nine facilities reported staff problems, such as unavailability of adequately trained staff, staff turnover, uncooperative staff, etc. Eleven reported problems due to late receipt of funds, difficulties in coordinating the P.L. 89-313 project with other Federal and state programs, reorganization, etc. Five facilities reported that lack of specialized materials, tools, evaluation instruments, etc. caused difficulties in implementing the P.L. 89-313 project as originally planned. Two facilities reported that changes in state priorities and guidelines caused difficulties in implementing their P.L. 89-313 project. Only one facility reported that increased costs of materials, special services, salaries, etc. caused difficulties.

Technical Assistance

Sixty-one of the facilities reported that a State Agency has provided technical assistance related to their P.L. 89-313 project during the past two years. Fifty-one reported that such technical assistance had been provided by the State Education Agency. Twenty-six reported that technical assistance had been provided by the administering State Agency. Generally, the respondents reported that the technical assistance had been helpful in implementing their P.L. 89-313 projects. Technical assistance emphasized interpretation of guidelines and regulations, and clarification of compliance procedures.

Project Monitoring

The State Education Agency was cited as the only agency that approved or verified the Average Daily Attendance figures required for P.L. 89-313 funding at 46 of the 72 facilities in the sample. The administering State Agency was cited at 23 of the facilities. A state financial office was cited in one instance, and both the SEA and the administering agency in two instances. Forty-seven respondents indicated that a State Agency did conduct an audit count for the P.L. 89-313 program. In 34 instances, the State Education Agency was reported to have conducted the audit. Thirteen facilities reported that the administering State Agency audited the ADA count.

Twenty-one facilities indicated that the audit of the P.L. 89-313 ADA count was conducted by on-site verification of a child's presence or of school records. Thirteen facilities indicated that substantiation data had to be sent to the State Agency by mail as part of the verification process. In nine instances, desk or computer audits of standard attendance forms were used by the SAs.

Forty-five respondents indicated that a financial audit of their P.L. 89-313 project has been conducted by a State Agency within the past two years. Seventeen facilities reported that the state audit agency or comptroller's office had undertaken a financial audit. A similar number reported that the SEA had conducted the audit. Nine reported that the administering State Agency had that responsibility. Only eight facilities reported that the financial audit had any impact on the project.

Project Evaluation

Forty-three respondents reported that a State Agency had conducted a program evaluation of their P.L. 89-313 project within the past two years. Thirty-four reported that an evaluation was conducted by the State Education Agency. Fourteen reported that a program evaluation of the P.L. 89-313 project had been undertaken by the administering State Agency.

Thirty-six respondents indicated that the program evaluation was accomplished as part of an on-site visit by staff of the responsible State Agency. In 13 instances, a prepared questionnaire was used to conduct the evaluation. Fourteen facilities reported that the evaluation included checking fiscal information as well as reviewing compliance with state standards. Our review of evaluation reports indicated that for the most part emphasis was placed on procedures used to implement the P.L. 89-313 project and very little emphasis on their outcomes.

Forty-one respondents reported that their P.L. 89-313 project had been evaluated by an independent contractor or by the staff at the facility. Internal

assessment was reported at 19 of the survey sites. Only seven reported that a private contractor had conducted the evaluation.

Program Standards

Only 21 respondents reported that their P.L. 89-313 programs had been monitored by an outside agency for compliance with state standards. The State Education Agency was reported to have conducted these monitoring activities at 12 of the facilities. The SEA and the administering State Agency reportedly worked together to monitor activities at four facilities; the administering State Agency worked alone at three sites. Site visits were used to monitor activities at 16 facilities. A review of project data was the procedure used in the remaining cases. Ten facilities reported that their P.L. 89-313 program was monitored annually for compliance with state standards. Five reported less frequent monitoring activities. Six reported more frequent assessment for compliance with state standards.

Twenty-five facilities reported that their P.L. 89-313 program had been monitored by an outside agency for compliance with Federal rules and regulations. Thirteen facilities reported that the State Education Agency had been responsible for the program review. Nine facilities reported that the Bureau of Education for the Handicapped had conducted the review. One facility reported that the General Accounting Office had reviewed their program. Twenty facilities reported that an on-site visit was the primary procedure used for the monitoring effort. Three reported that a mail questionnaire was used to monitor the project. One site reported that the review was limited to analysis of project data supplied to the State Agency. Eight facilities reported that the monitoring activities were conducted annually. Three reported that this procedure was used every two years; two reported that it was used every five years. Nine facilities reported that monitoring had occurred once.

PERCEIVED IMPACT OF P.L. 89-313 PROJECTS

Respondents at the state-operated and state-supported schools were asked to describe the impact of their P.L. 89-313 projects on the total education program.

Major observations are summarized below. Additional details follow the summary.

- Nearly all respondents thought that the P.L. 89-313 projects initiated new thinking and planning for the education programs.
- Nearly all respondents reported that the loss of P.L. 89-313 funds would require reductions in important services provided to children and youth enrolled in the school program.

Sixty-seven respondents indicated that P.L. 89-313 funding had an effect on initiating new thinking and planning for the education programs at the facility. Fifty-one reported that P.L. 89-313 funds were used for new or innovative programs, such as developing new education models and/or curricula, improving assessment techniques, developing procedures to improve sensory integration, and providing specialized related services -- especially physical therapy and occupational therapy.

Fourteen respondents reported that P.L. 89-313 funds were instrumental in enabling them to hire additional qualified staff -- particularly teacher's aides and specialists. Four reported that these funds were used to upgrade their programs by providing in-service training for their staff. Five reported that P.L. 89-313 funds were essential to the implementation of more individualized instruction and compliance with requirements of Public Law 94-142.

Respondents were asked to describe what impact, if any, the loss of P.L. 89-313 program funds would have on their total education program. Over half (38) of the respondents indicated that the loss of P.L. 89-313 funds would result in the loss of some or most of the related services provided to pupils. Thirty

respondents indicated that the loss of P.L. 89-313 funds could result in the loss of staff positions -- especially teacher aides and certain specialists, such as speech, physical, and occupational therapists. Eight reported that if additional funds could not be obtained, they would be forced to reduce the number of pupils being served. Four reported that they would not be able to serve as many severely handicapped children.

The general consensus was that P.L. 89-313 funds provided a significant portion of the facilities' budget for instruction to students, as well as related services necessary to meet the needs of severely handicapped children and youth.

CHAPTER 11

PROGRAM FINANCING

The Provider Data Package requested information concerning revenues and expenditures for the programs provided by the facilities in the sample. Adequate data were available for 65 of the 72 facilities.[1] The reported expenditure and revenue data for these facilities are discussed below.

EXPENDITURES

Data collected concerning expenditures were limited to total expenditures for the facilities, the education program at those facilities, and corresponding wages and salaries.

Major findings were:

- Average education expenditure per pupil was $4,487.
- Per pupil expenditures varied somewhat by type of facility ranging from $2,787 in residential programs for the mentally retarded to $7,009 for residential programs for "other" handicapping conditions.
- Per pupil expenditures for the state-operated and state-supported schools in the sample roughly correspond to expenditures for similar handicapped children in local school district special education programs.
- Salaries and wages appear to be below the national average for similar staff categories.

Reported total education program expenditures were over $72 million. Salaries and wages accounted for about $55 million - about 75 percent of education program expenditures.

Education program expenditures accounted for only 14 percent of total expenditures in the 41 residential facilities in the sample. They accounted for only

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[1] The seven programs that did not report complete data on expenditures and revenues were all non-residential programs.

25 percent of the expenditures in 24 non-residential programs that provided adequate financial data.

Education program expenditures varied somewhat on a per pupil basis by type of facility. Table II-1 presents total education program expenditures and calculated per pupil expenditures for residential and non-residential programs. For the sample facilities, it can be noted that per pupil expenditures for all programs in the sample were approximately $4,500. Non-residential programs reported a higher per pupil expenditure ($4,873). The highest reported per pupil expenditures ($7,009) were for "other" residential programs -- primarily programs for the visually and hearing impaired. The lowest reported per pupil expenditure ($2,787) was for residential programs for the mentally retarded. This figure, however, is based on total enrollment in education programs at these facilities. Thus it includes programs for 2,593 adults aged 21 or older.[2] Calculated per pupil operating expenditures for these programs based on enrollment figures for only ages birth to 21 were $4,399.

The national average annual current expenditures per pupil in average daily attendance for the 1977-1978 school year was $1,739.[3] Information on per pupil expenditures for handicapped children and youth are very limited. The most definitive are based on a study by the Board of Education, City of New York.[4] Factors were developed on relative costs per pupil by handicapping conditions. Selected ratios relevant to handicapping condition prevalent in the sample facilities are provided in Table II-2. Also presented are calculated per pupil expenditures using these ratios.

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[2] Our site visit observations generally support a conclusion that programs for this age group required significantly fewer resources than the age group birth to 21 years. Many of the programs were work study programs or on-the-job-training.

[3] Statistics of Public Elementary and Secondary Day Schools 1977-78 School Year (Final), National Center for Education Statistics, NCES-78-133, U. S. Department of Health, Education and Welfare, Education Division.

[4] The Cost of Educating Handicapped Pupils in New York City, Board of Education, City of New York, Office of the Deputy Chancellor, Special Report No. 2, March 1977.

TABLE 11-1.

Per Pupil Education Program Expenditures at Sample Facilities
1977-1978

Type of Facility	Education Program Expenditures	
	Total (Thousands)	Per Pupil
Residential		
Mental Retardation	$19,734	$2,787
Emotionally Disturbed	6,268	4,619
Other	28,631	7,009
Subtotal	54,633	4,363
Non-Residential		
Mental Retardation	2,185	5,117
Emotionally Disturbed	9,260	5,220
Other	6,433	4,470
Subtotal	17,878	4,873
Total All Facilities	72,511	4,487

Based on data from 65 facilities.

TABLE 11-2.

Estimated Per Pupil Expenditures
for Special Education Students
in Local School Districts

Handicapping Condition	Ross-Miller Ratio	Calculated Per Pupil Expenditures 1977-1978
Educable Mentally Retarded	1.87	$3,252
Trainable Mentally Retarded	2.10	3,652
Severely Emotionally Disturbed	2.83	4,921
Deaf and Hard of Hearing	2.99	5,200
Visually Impaired	2.97	5,165
Orthopedically Impaired	3.64	6,330
Multi-Handicapped	2.73	4,747

Comparison of these calculated expenditures per pupil with the reported expenditures per pupil in the sample facilities, shown in Table 11-1, shows surprising similarities. Reported expenditures for non-residential programs for the emotionally disturbed ($5,220) were approximately the same calculated expenditures per pupil ($4,921) for emotionally disturbed children in local school districts. Reported expenditures for non-residential programs for the mentally retarded ($5,117) were somewhat higher than the calculated expenditures per pupil for the mentally retarded in local school districts ($3,652). The calculated figure for multi-handicapped of $4,747 is very similar to the reported figure of $4,873 for non-residential programs in the sample, and the $4,487 reported average per pupil expenditure for the 65 facilities that provided adequate expenditure data.

Analysis of wage and salary data provided by the 65 facilities indicated that these expenditures were slightly less than the national average. The calculated expenditure per full-time equivalent staff member was $12,020 at the 65 sample facilities. The estimated national average salary for classroom teachers was $14,244 during the 1977-1978 school year. The estimated average salary for all other professional education staff was $15,956.[5]

REVENUES

Data on revenues were collected only with respect to the total program at the facilities. Separate data concerning revenues for education programs were generally not available. Major findings were:

- Federal aid accounted for about 12 percent of total revenues.
- P.L. 89-313 funds accounted for about two percent of total revenues.
- P.L. 89-313 funds were approximately $631 per pupil.

Total reported revenues for the 65 facilities that provided adequate data for the 1977-1978 school year were approximately $415 million. Approximately 77 percent of these revenues were from state sources; 73 percent were from state

[5] Ibid.

general funds. Federal aid accounted for about 12 percent of total reported revenues. Local government and other sources accounted for about 11.1 percent of total revenues. More detailed data on revenues from alternative sources are provided in Table 11-3.

Data on revenues applicable to the education program were not requested from the survey facilities. However, we note that P.L. 89-313 revenues of $8,522,500 represented approximately $626 per pupil. This figure represents about 14.5 percent of reported total education expenditures per pupil in the sample sites.

TABLE 11-3.

Sources of Total Revenues at Sample Facilities
School Year 1977-1978

Source	Amount (Thousands)	Percent of Total
Funds from Local Government		
Receipts from Local Taxes	$15,612,800	3.8
Payments from Local School Districts	8,624,000	2.1
Other Local Receipts	3,141,500	0.8
Subtotal	27,378,300	6.6
Funds from State Government		
State General Funds	302,949,000	73.0
Other State Funds	16,580,400	4.0
Subtotal	319,529,400	77.0
Federal Aid		
P.L. 89-313	8,522,500	2.1
Title XIX	17,511,900	4.2
Title XX	4,612,500	1.1
Other	18,183,500	4.4
Subtotal	48.830,400	11.8
Funds from Other Sources	19,041,000	4.6
Total	414,779,100	100.0

CHAPTER 12

CONCLUSIONS

This chapter presents a summary of conclusions based on analyses of data from the site visits. The conclusions presented below follow the four primary objectives of the study.

PROGRAM ADMINISTRATION

Objective: To conduct an examination of procedures used by the states in administering the P.L. 89-313 program and document the methods by which functions such as monitoring, auditing, project evaluation, and personnel assignments are handled.

- The administrative structure in the SEAs has changed so as to place more importance on the total special education program.

  Seven of the 12 larger SEAs and three case study SEAs created special units within the assistant superintendent, associate commissioner, or division level to administer these programs. Eleven of the larger SEAs and one case study SEA have separated the special education program from other ESEA Title I or compensatory education programs.

- The states have administrative procedures in place which allow systematic monitoring of the providers for compliance with state and Federal requirements.

  Fourteen of the states conduct site visits. Nine of the 14 visit providers at least annually. Sixteen of the 20 State Agencies also reported they monitor the adequacy and appropriateness of educational programs in state-supported and state-operated schools. This information was further substantiated by local providers who reported that 60 percent of the P.L. 89-313 projects had been monitored during the preceeding year.

- Fiscal accountability of P.L. 89-313 funds is maintained in the majority of study states by both State Education Agencies and State Agencies.

  Thirteen of the 15 State Education Agencies and 16 of the 20 State Agencies require financial audits of the P.L. 89-313 component. Twelve of the 15 states reported having established specific procedures for conducting these financial audits. This information was substantiated at the local provider level. Sixty-three percent of the education programs reported that program and financial audits had been conducted by State Agencies during the past two years.

- Since P.L. 89-313 funds are allocated to the states on the basis of children counted in average daily attendance, the states have established administrative procedures to audit enrollment and ADA counts.

  Sixteen of the 20 State Agencies audit or verify enrollment counts submitted by P.L. 89-313 providers. Fifteen of the same State Agencies reported that the State Education Agency also audits these enrollment counts. Twelve of the 15 State Education Agencies reported they validate the average daily attendance counts submitted by P.L. 89-313 providers.

- The states have developed procedures for ensuring fulfillment of the P.L. 93-380 Local Education Agency transfer provisions.

  Fourteen of the 15 State Education Agencies and 14 of the 20 State Agencies reported having established these procedures. Ten of the states reported their State Agency personnel encountered additional duties as a result of having to implement the transfer provisions.

- The development of the P.L. 89-313 project at the local provider level was based on an assessment of needs by the instructional staff.

  Forty-six facilities reported that the primary criterion used to develop their annual P.L. 89-313 project was the perceived needs of pupils in their education program. In some instances the administrative and program staff made decisions based on an assessment of primary needs; or decisions were made based on an assessment of Individualized Education Programs.

- The states generally provided positive comments regarding their interactions with the Bureau of Education for the Handicapped.

  All 15 State Education Agencies reported their contacts with BEH had been satisfactory. Nine of these 15 State Education Agencies reported some inconsistencies in the information provided by BEH to the states, as well as some lack of guidance and technical assistance in the past. Thirteen of these same SEAs and six of the State Agencies thought BEH staff were accessible and receptive to the state's need.

- Even though the majority of states have established guidelines for defining basic vs. supplemental services, a problem still exists in determining whether services are basic or supplemental.

  Ten of the 15 State Education Agencies and 10 of the 20 State Agencies reported having guidelines which imposed basic requirements on all providers or required maintenance of a certain level of spending. Eleven of the SEAs and 8 of the SAs, however, also reported having encountered problems in determining whether services were basic or supplemental.

- In general the respondents at the state level did not favor targeting of funds as a means of improving their education programs.

  Ten of the 15 State Education Agencies and 16 of the 20 State Agencies do not allow administrative or programmatic targeting. Eight of the 15 states did not believe targeting would improve the quality of education and also did not favor targeting as a means of serving higher functioning children.

PROGRAM STANDARDS

Objective: To conduct a review of program standards for admission, child assessment, program evaluation personnel certification and pupil/staff ratios at state-operated and state-supported schools.

- The states have standards of quality which meet or even surpass federal requirements.

  Five of the State Education Agencies reported their state regulations surpassed federal requirements. Others reported state standards which were parallel to P.L. 89-313 or P.L. 94-142 regulations. Eight State Agencies reported using SEA standards or their own regulations patterned after SEA standards.

- Changes in state standards in recent years have impacted the program administration, availability of funds, and staff responsibilities.

  Six SEAs reported increased responsibilities including additional monitoring, providing technical assistance, and evaluating cost effectiveness. The State Agencies reported having shifted some of these responsibilities to the SEA.

  Nine of the SEAs reported an impact on funding such as fewer funds available per child because of increased services being mandated by changes in state standards. Six of the State Agencies reported an impact on funding such as having more state funds available to implement added services.

- Local providers reported having project evaluations by state agencies to determine whether state standards were being followed.

  Forty-three providers reported that a State Agency had conducted a program evaluation of their P.L. 89-313 project within the past two years. Thirty-four reported that an evaluation was conducted by the SEA.

SERVICE DELIVERY

Objective: To examine the nature of education programs and related services provided to institutionalized and non-institutionalized handicapped children in state-operated and state-supported schools.

- The providers reported that the majority of clients served in state-operated and state-supported schools were severely and multihandicapped.

  Respondents reported that more than 40 percent of children aged birth to 21 years were mentally retarded. About 22 percent were deaf or hearing impaired. Sixteen percent were classified as visually handicapped and another 16 percent were classified as emotionally disturbed. Approxi-

mately 56 percent of the total enrollment in these programs were classified as multihandicapped. The respondents explained that due to deinstitutionalization the less severely handicapped were being served in Local Education Agency settings.

- The state-operated and state-supported schools in the sample are emphasizing the educational and related service needs of clients being served.

  Approximately 45 percent scheduled their basic instructional program for a longer period of time than prescribed by state standards. Nearly 85 percent of all residential and non-residential schools in the sample operate a summer program so as to offer clients continuity of services throughout the year. Of the children and youth enrolled in the education program at the sample facilities, seventy-one percent received instruction in academic subjects; forty-one percent received instruction in prevocational or vocational subjects; and 75 percent received instruction in basic life-support skills.

- The states are attempting to meet the client's education and related service needs with adequate staff/pupil ratios and through the upgrading of staff certification requirements.

  Approximately 95 percent of all teachers in the education program at the facility were certified. This was highlighted as a major trend as facilities are moving from being treatment oriented to providing educational services. The overall pupil/teacher ratio was calculated at 8.7:1 while the overall pupil/instructional staff ratio was calculated at 4.9:1. This latter figure includes teachers and paraprofessional aides. In comparison to the instructional staff, the pupil/related-services staff ratio was calculated at 12:1.

- The majority of the facilities in the sample reported that they developed individualized education programs (IEPs) for each child or youth in their program.

  Sixty-seven of the 72 facilities in the sample reported meeting this requirement. Others reported using an Individualized Plan developed by another institution or Local Education Agency.

- Major changes have occurred during the past five years in the enrollment policy of special education programs so that greater numbers of pre-school, post-secondary, and more severely handicapped children and youth are being served.

  Twenty-two facilities indicated that changes in enrollment policy included the provision of services to younger children of pre-school age as well as older children and youth beyond the 6-17 age group. The same number of facilities also reported that policies had changed to allow admission of children and youth with more severe handicapping conditions.

- The majority of the state-operated and state-supported schools sampled were using P.L. 89-313 funds extensively to finance part of the instructional and related services.

During the 1977-1978 school year, nearly 90 percent of all children and youth aged birth to 21 years enrolled in the education programs were receiving instructional services funded under P.L. 89-313. During the same school year nearly 70 percent of these same clients received related services supported by P.L. 89-313 funds.

PROGRAM FINANCING

Objective: To examine and document patterns of expenditures for education and related services provided to eligible children in state-operated and state-supported schools.

- The majority of study states reported an increase in state funding allocations for Special Education occurring during the past five years.

  Thirteen of the 15 State Education Agencies and 13 of the 20 State Agencies reported funding increases because they had increased services or because of inflation.

- The states reported that Federal aid accounted for a small portion of total revenues.

  Total revenues for the 65 facilities that provided adequate data for the 1977-1978 school year were approximately $415 million. Seventy-three percent of these revenues were from state general funds. Federal aid accounted for 12 percent of total reported revenues; and local government and other sources accounted for about 11 percent. Of the Federal Aid reported, P.L. 89-313 funds accounted for only 2 percent of total revenues.

CHAPTER 13

RECOMMENDATIONS

This chapter presents recommendations based on the findings from site visits at 35 State Agencies and 72 state-operated and state-supported schools in 15 states.

- Federal funding to meet the special education needs of children and youth in state-operated and state-supported schools should be continued.

  The results of the study strongly suggest that the funds expended have been successful in upgrading the quality of education programs at state-operated and state-supported schools. The projects funded under P.L. 89-313 appear to have been successfully targeted to meet locally defined needs.

  Financial data provided by the sites visited indicated that P.L. 89-313 was the only Federal program providing substantial funds directed toward improvement of education programs at state-operated and state-supported schools. Current severe fiscal constraints within the states would generally preclude continuation of the projects funded by P.L. 89-313 if this revenue source was no longer available. The result would be a reduction of instruction and related education services provided to children and youth in state-operated and state-supported facilities.

- Public Law 89-313 should be legislatively transferred from Title I of the Elementary and Secondary Education Act of 1965 to a separate program for which the Bureau of Education for the Handicapped has complete administrative and fiscal responsibility.

  Management of the P.L. 89-313 program remains somewhat fragmented at both the Federal and state levels. Although transferring the P.L. 89-313 program to the Education of the Handicapped Act would be more reasonable than the current administrative setup, some administrative fragmentation at both the Federal and state levels would still remain. Consolidation could also result in a significant reduction in per pupil funds available to state-operated and state-supported schools. A separate legislatively authorized program with separate accountability, would appear to be the most appropriate method for assuring equal education opportunities for children and youth in state-operated and state-supported schools.

- More precise national standards of program eligibility should be developed.

Flexibility in determining which programs are eligible for assistence under P.L. 89-313 appears to be essential, given state differences in service delivery approaches. However, more emphasis should be placed by BEH to assure increased fiscal equity among the states in the distribution of P.L. 89-313 funds.

- Clarification of current regulations concerning use of P.L. 89-313 funds should be provided by BEH.

  The P.L. 89-313 program provides sustained Federal support of operating programs at state-operated and state-supported schools. Continued State Agency emphasis on assuring that P.L. 89-313 funds are being used to supplement basic education programs results in less emphasis on assuring that these funds be used to meet locally defined needs. The current emphasis also assumes that there are standard criteria for defining basic versus supplemental services, although there are none.

- Federal guidelines should be modified to limit the discretion of State Agencies in allocating P.L. 89-313 funds to state-operated and state-supported schools.

  Targeting of P.L. 89-313 funds within state-operated and state-supported schools to specific individuals or groups of children and youth appears justified in order to meet the special education needs perceived by the program administrators. Similar targeting of P.L. 89-313 funds to specific state-operated and state-supported schools does not appear justified. In most instances, the State Agencies have neither adequate data to support such allocation decisions nor adequate state funds to effect a similar reallocation if it is considered essential.

  The primary reason given by respondents for such administrative allocation of P.L. 89-313 funds was a perceived need to use this source for education programs for children not currently covered by state or local funding. However, it does not appear that P.L. 89-313 funds should be used for such purposes because this assumes a lack of state and/or local fiscal effort.

  The current mandate that all children counted for P.L. 89-313 funding receive some benefit from that funding has very little meaning at the provider level. In fact, it can require allocation of some of the funds to a related service that is used by all children in the facility, irrespective of its relative importance with respect to total needs. Assuring reasonably equal access of each state-operated or state-supported school to P.L. 89-313 funds based on average daily attendance would appear to be a better criterion for fund allocation.

- Current transfer provisions of P.L. 93-380 should be eliminated.

  This provision allowed State Agencies to include in their count of average daily attendance all children previously in state-operated and state-supported schools who are now receiving their special education program in a local school district. The intent of this provision was to encourage deinstitutionalization of children and youth. In practice, this requirement

has proven to be extremely difficult to implement. In most states visited, State Agency respondents indicated that the local school districts did not wish to avail themselves of these funds because of the extensive paperwork involved.